

## Development Alternatives at the Resilience and Sustainability Summit: Vision 2047

On 19 January, 2023, Ms Gitika Goswami, Associate Vice President & Lead Policy Research and Planning, Development Alternatives moderated a session on ‘Financial Innovations for Resilience’ jointly hosted by National Institute of Disaster Management and Development Alternatives. This session was a part of the Resilience and Sustainability Summit: Vision 2047 Exposition - Colloquy, which was held at Vigyan Bhawan, New Delhi from 17-19 January, 2023.

The Summit was organised by the National Institute of Disaster Management (NIDM) in collaboration with the Department of Science & Technology (DST), United Nations Development Programme (UNDP), Development Alternatives, GIZ India and other national and international organisations. The objective of this summit was to review and deliberate upon the key aspects of present and futuristic disaster risks and climate contexts and their changing scenarios; to share recent lessons, innovations, good practices and case studies in science, policy-planning-practice interface specific to disaster resilience and risk reduction; and to derive strategies and recommendations for localising resilience agenda for region specific, sectoral and strategic interventions with futuristic perspectives.

The Side Event (Colloquy) on the theme ‘Financial Innovations for Resilience’ that Development Alternatives co-hosted was livestreamed for wider online reach on the Youtube Channel – RESSummit2047 and so did not have a direct audience. This session was structured around a very relevant theme as today global warming, which has remained a serious issue for the scientists for the past three decades has now become a matter of grave concern, as pointed out by the recent IPCC report, with scientists declaring a CODE RED FOR HUMANITY. The threat of climate change is real and over the next 20 years, the global temperature is expected to reach or exceed 1.5 degree Celsius. Hence, starting action on ground is now imperative and that requires finance.

At the 15th Conference of Parties (COP15) of the UNFCCC in Copenhagen in 2009, developed countries committed to a collective goal of mobilising USD 100 billion per year by 2020 for climate action in developing countries, in the context of meaningful mitigation actions and transparency in implementation. The OECD has been tracking progress towards this goal and regularly tracking that finance from developed countries is falling short in meeting these climate action goals.

As a response, developing countries like India have started working on several innovative financing mechanisms for climate action on ground both for adaptation and mitigation. This side event’s objective was to precisely discuss the current status of innovative finance for climate and disaster action with our national stakeholders.

Ms Gitika Goswami opened the session by stating that financial resources and sound investments are needed to address climate change, to both reduce emissions, promote adaptation to the impacts that are already occurring, and to build resilience. Various strongly negotiated global commitments such as SDGs, NDCs, Sendai framework for disaster risk resilience, UN decades for Ecosystem Restoration, UNCCD COP14,



Ms Gitika Goswami moderating the session on ‘Financial Innovations for Resilience’ at the RESSummit 2047, New Delhi

UNFCCC COP26 & COP27 and the recently concluded CBD COP15 in Montreal have been put in place to ensure the wellbeing of the planet but the action on ground must be backed by a strong and sustainable financial framework.

The role of the private sector in climate change mitigation and adaptation has been increasing over the past few years, but it needs to be further bolstered. Roadblocks in the fund flow towards climate action exist and also there is a strong focus on climate mitigation rather than adaptation measures. A lot of times, due to the high-risk profile of climate adaptation and mitigation initiatives, banks hesitate to extend loans. That is why there is a need to now establish green banks that would manage financing of initiatives targeted towards climate action.

The following key **recommendations** were made at the session -

- When a disaster strikes, the focus is on saving lives. But now the focus should also be on saving livelihoods.
- A 'National Green Taxonomy' or in simpler words, a uniform definition of 'green finance' needs to be developed in order to smoothen the process of funding towards climate adaptation.
- It is time that we start to think of climate adaptation finance not only in terms of grants from the developed countries but as 'Blended Finance' that may include soft loans and equity along with grants.
- Absence of baseline socio-economic data and other estimate numbers, especially for slow-onset disasters hinders financial investments in disaster mitigation initiatives.
- In order to engage private and international finance, it is very important to have benchmarks and standards in place.
- Generating evidence through Monitoring & Evaluation Frameworks can help improve the inflow of climate finance.
- Finances from various stakeholders such as the government, the private sector need to be pooled and managed by a 'Green Bank'.
- The talent and resource pool in India is so huge that with a bit of channeling and streamlining, we, as a country, might as well become self-sufficient in generating funds for climate action.



The panel at the session on 'Financial Innovations for Resilience' at the RESSummit 2047, New Delhi

Online link to the recording of the session: <https://www.youtube.com/watch?v=wje6xSWTAf4>