



Climate Change, Sustainable Development, and Investors

Risks to Opportunities
through Better
Governance

Risky times

Global Risks Report

The 5 risks most likely to happen in the next 10 years

	rank
Extreme weather events	1
Natural disasters	2
Cyber attacks	3
Data fraud or theft	4
Failure of climate change mitigation & adaptation	5

Source: Executive Opinion Survey 2017, World Economic Forum

Climate impacts

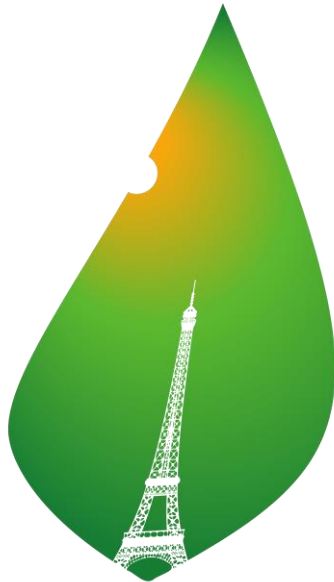


Source: NASA

Climate change is.....

- amplifying existing risks to assets (storm intensity, drought)
- causing new risks to ecosystems and assets (ocean acidification, sea level rise)
- making more communities vulnerable, unequally
- causing potentially irreversible changes
- disturbing supply chains and business models
- prompting **new policies, regulation and governance**
- reducing the value of climate-unfriendly assets

Paris Agreement –global commitment to low-carbon climate resilient economies



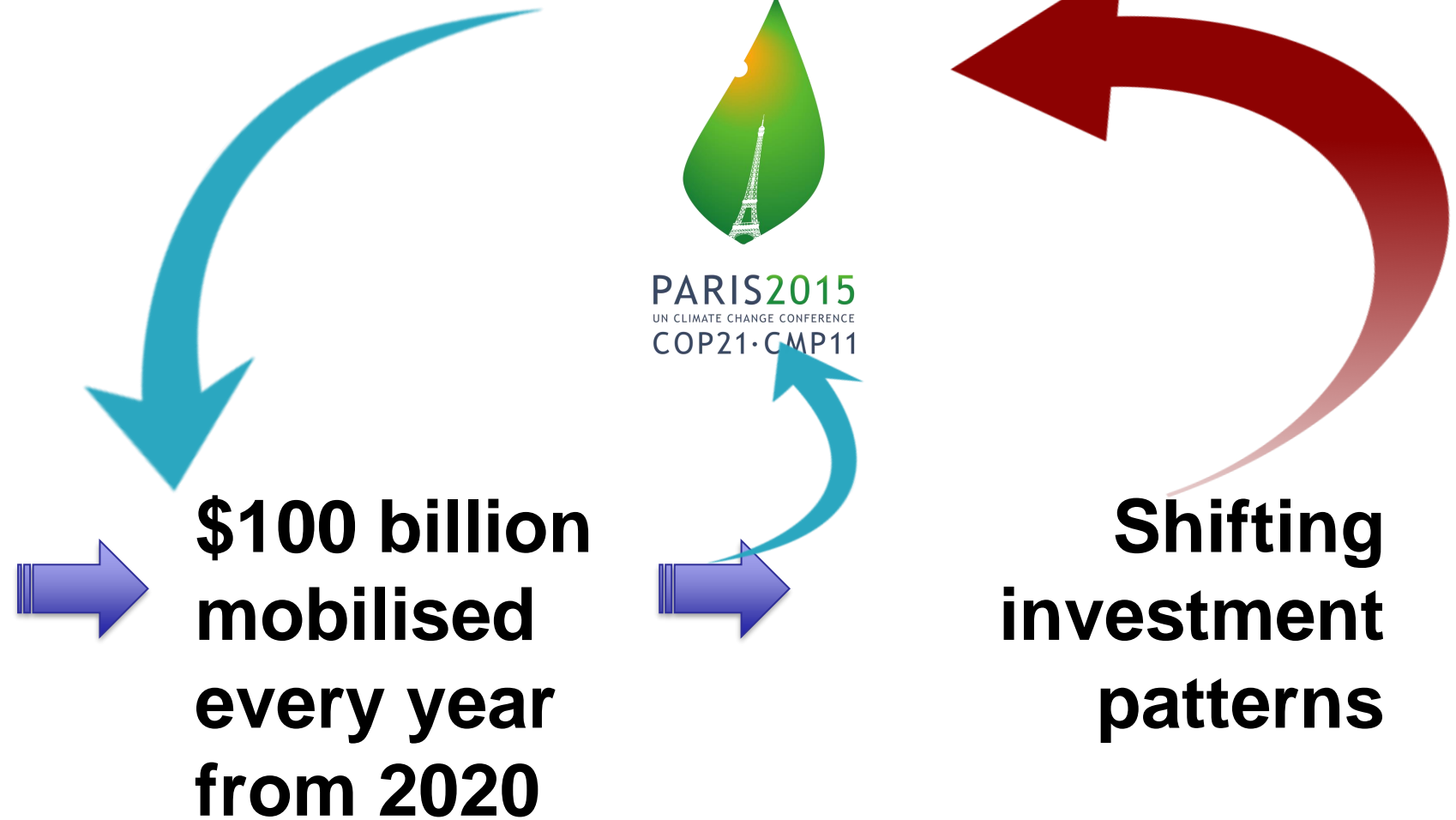
PARIS2015
UN CLIMATE CHANGE CONFERENCE
COP21•CMP11

(a) 2° C /1.5° C (Art 1, Para 1.a).)
target

(b) Improving adaptation capacity, climate
resilience and development (Art 2, Para
1. b).)

(c) Making **finance flows** consistent with
these goals (Art 2, Para 1.c).)

The Paris Agreement & shifting the trillions...



Response: climate change policy, law, and regulation

as of March 2018



**20-fold
increase since
1998**

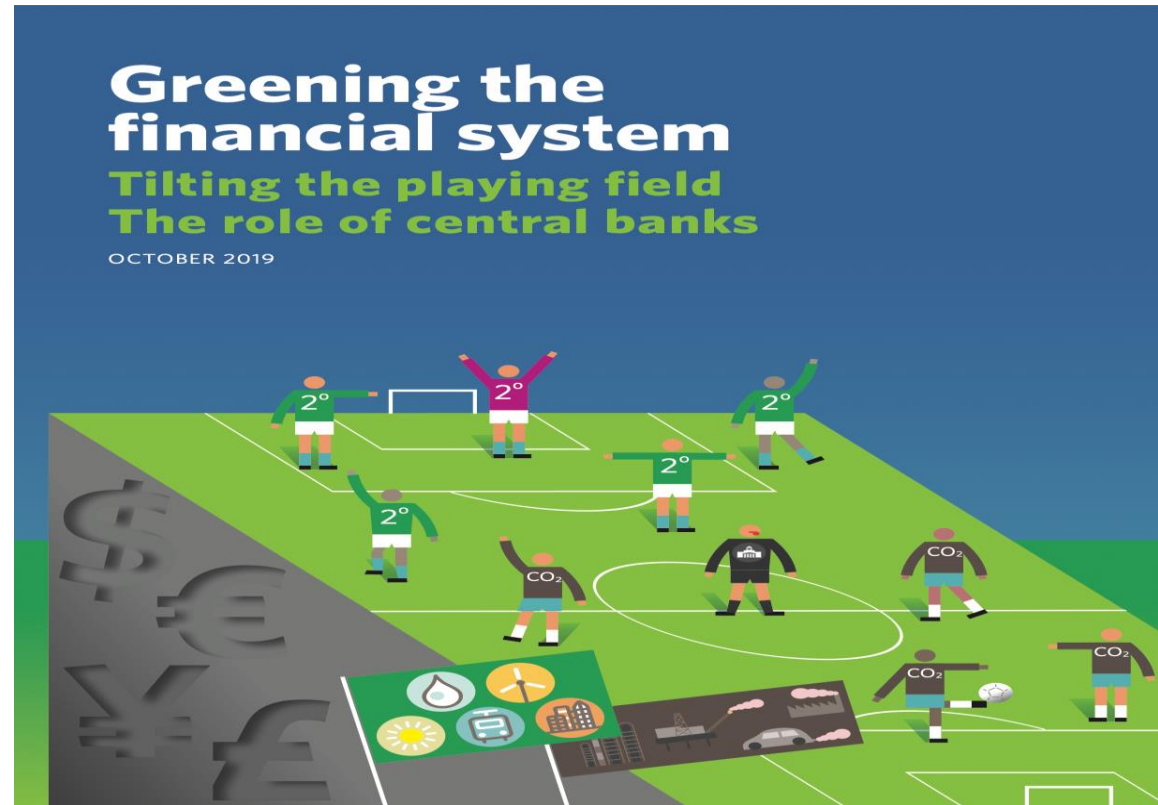
**Progressive
action from
developing
countries –
focus on
resilience**

The Number of Climate Laws and Policies passed around the world, as at March 2018
Source: LSE Grantham Research Institute on Climate Change and the Environment, 2018

Response: Improving Transparency

- UNEP Finance Initiative 1991: link with commercial banks to set principles
- Understanding through reporting
 - GRI since 1997 : standards applied worldwide
- Public disclosure
 - Carbon Disclosure Project, now includes water and forests
- Task Force on Climate-related Financial Disclosures
 - 2015 by FSB to reveal climate risks to investors
 - Carney and Bloomberg driving
 - And many more

Response: financial system resilience



Climate Bonds INITIATIVE

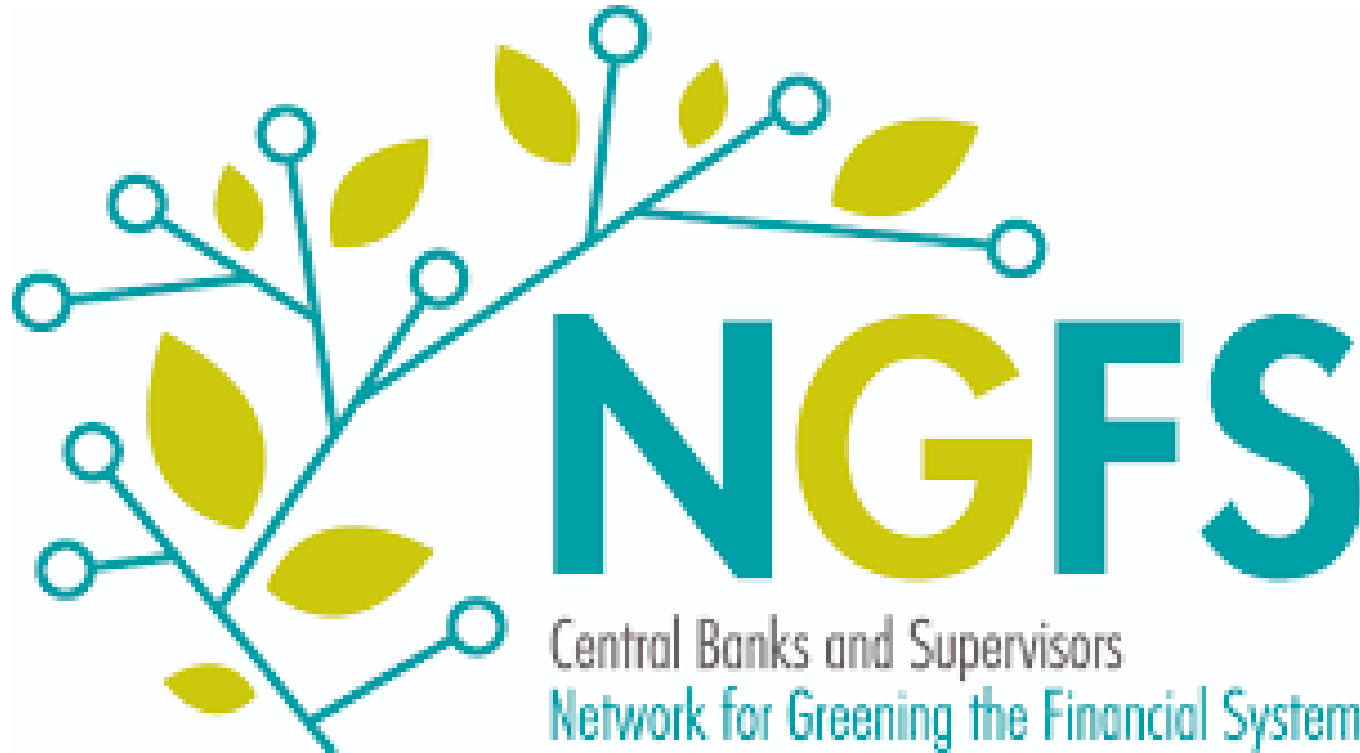
Prepared by the Climate Bonds Initiative
Prashant Vaze, Alan Meng, Diletta Giuliani



Supported by WWF and
SOAS Centre for Sustainable Finance

 Centre for
Sustainable Finance
SOAS University of London

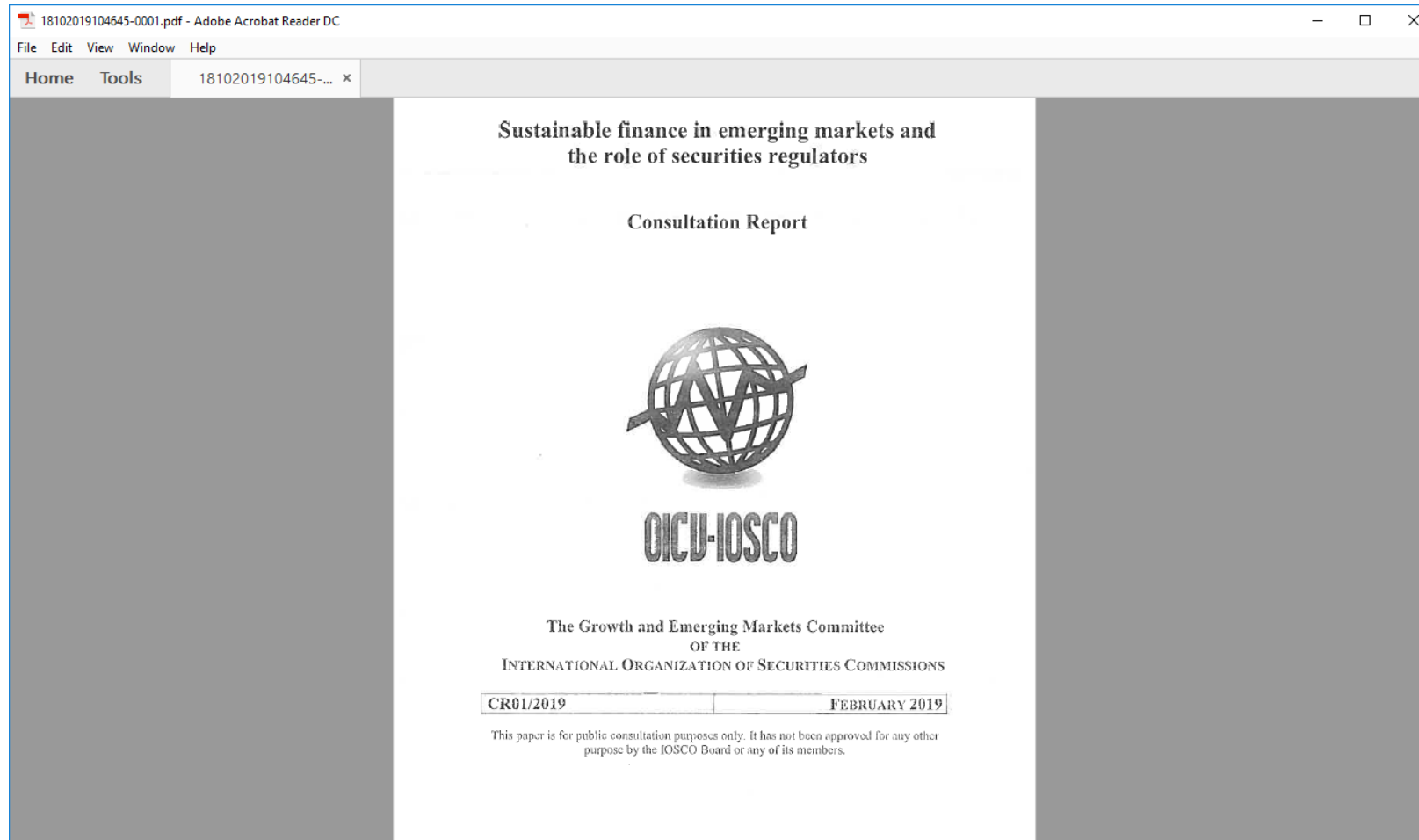
Response: Central Banks Network



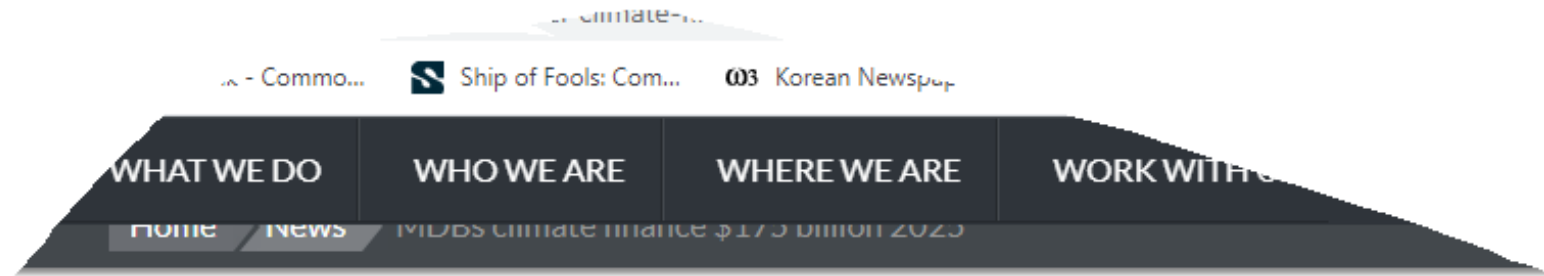
Influential: 69 members and 13 observers

Source: Climate Action in Financial Institutions Initiative

Response: Securities Commissions too



Response: MDBs increasing climate finance



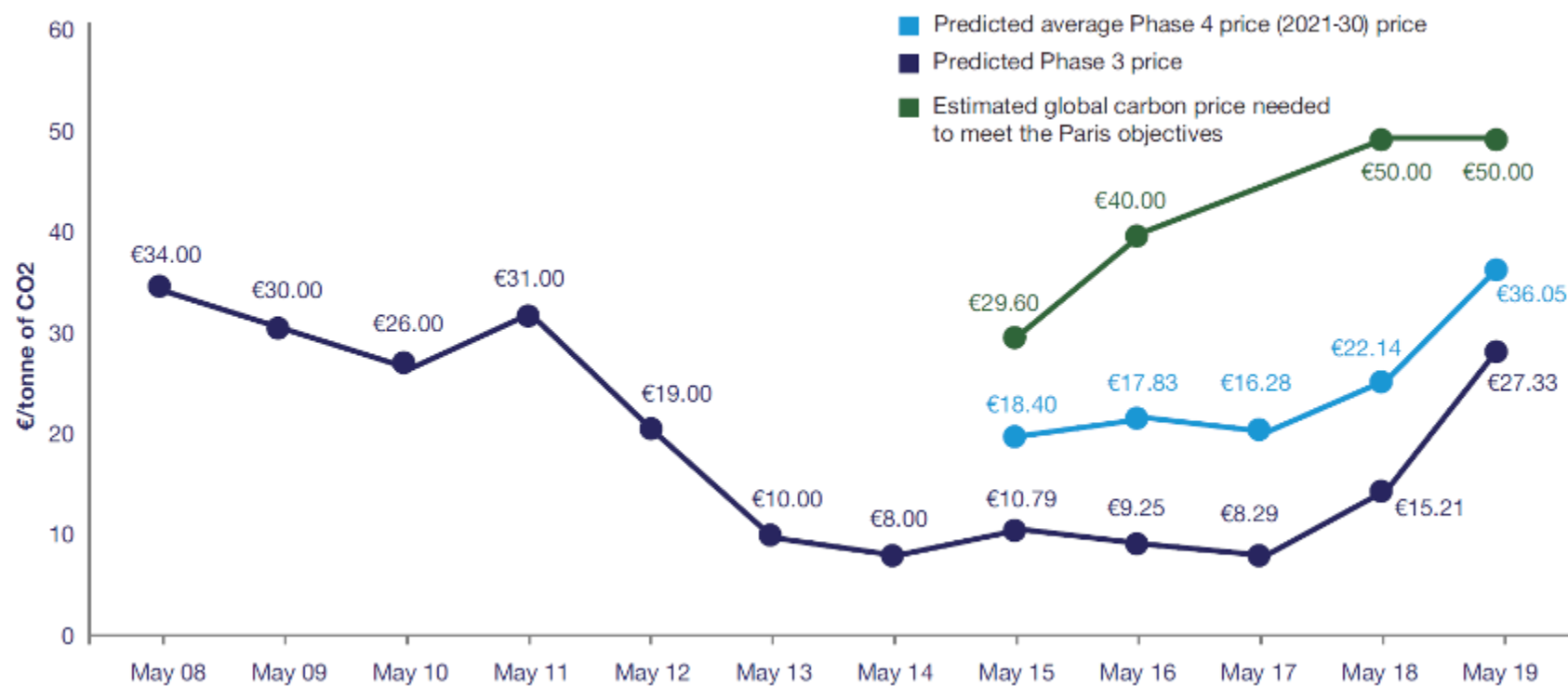
MDBs pledge to join forces to raise annual climate finance to \$175 bn by 2025

By [Vanora Bennett](#)

22 Sep 2019

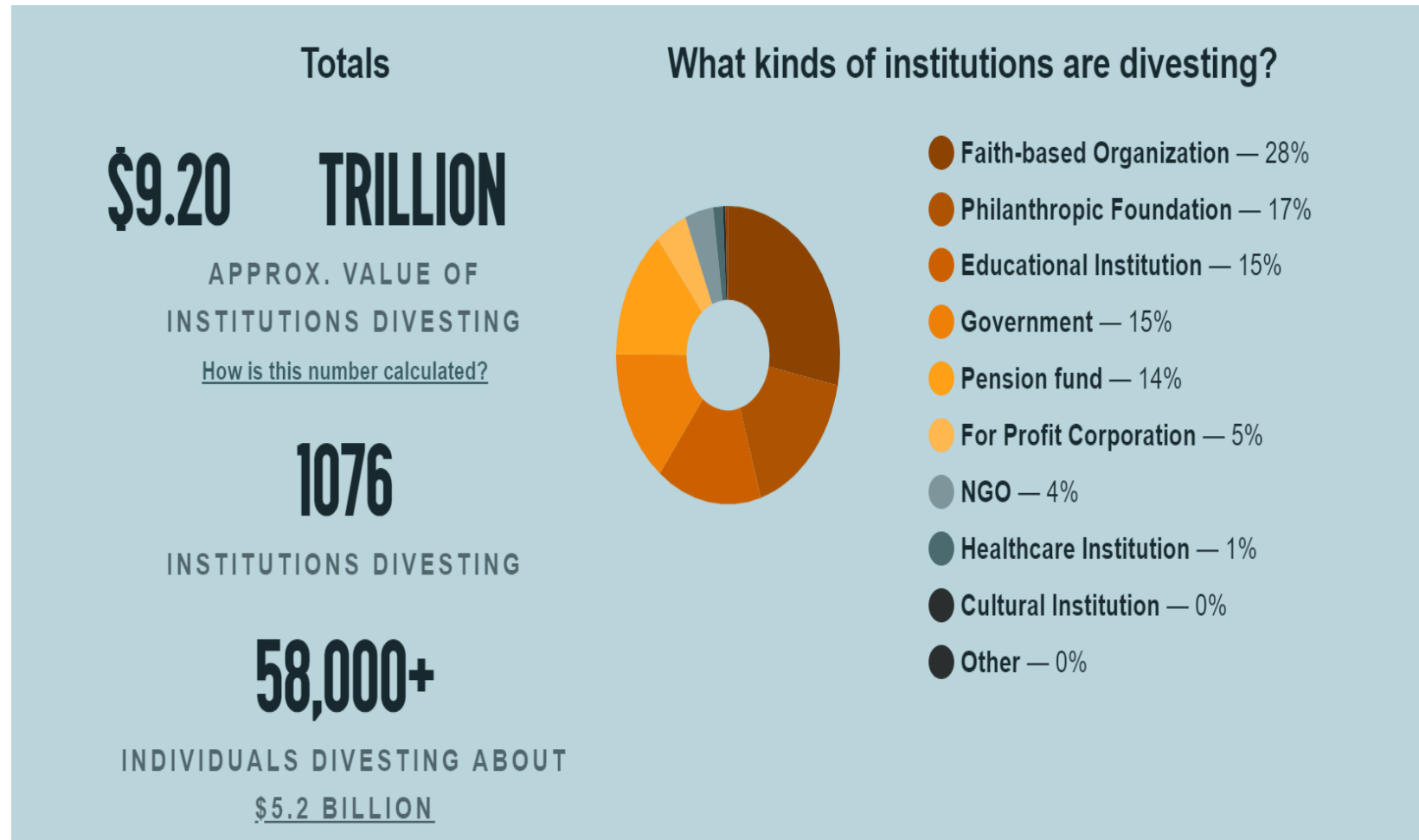
Source: EBRD

Response: The carbon market



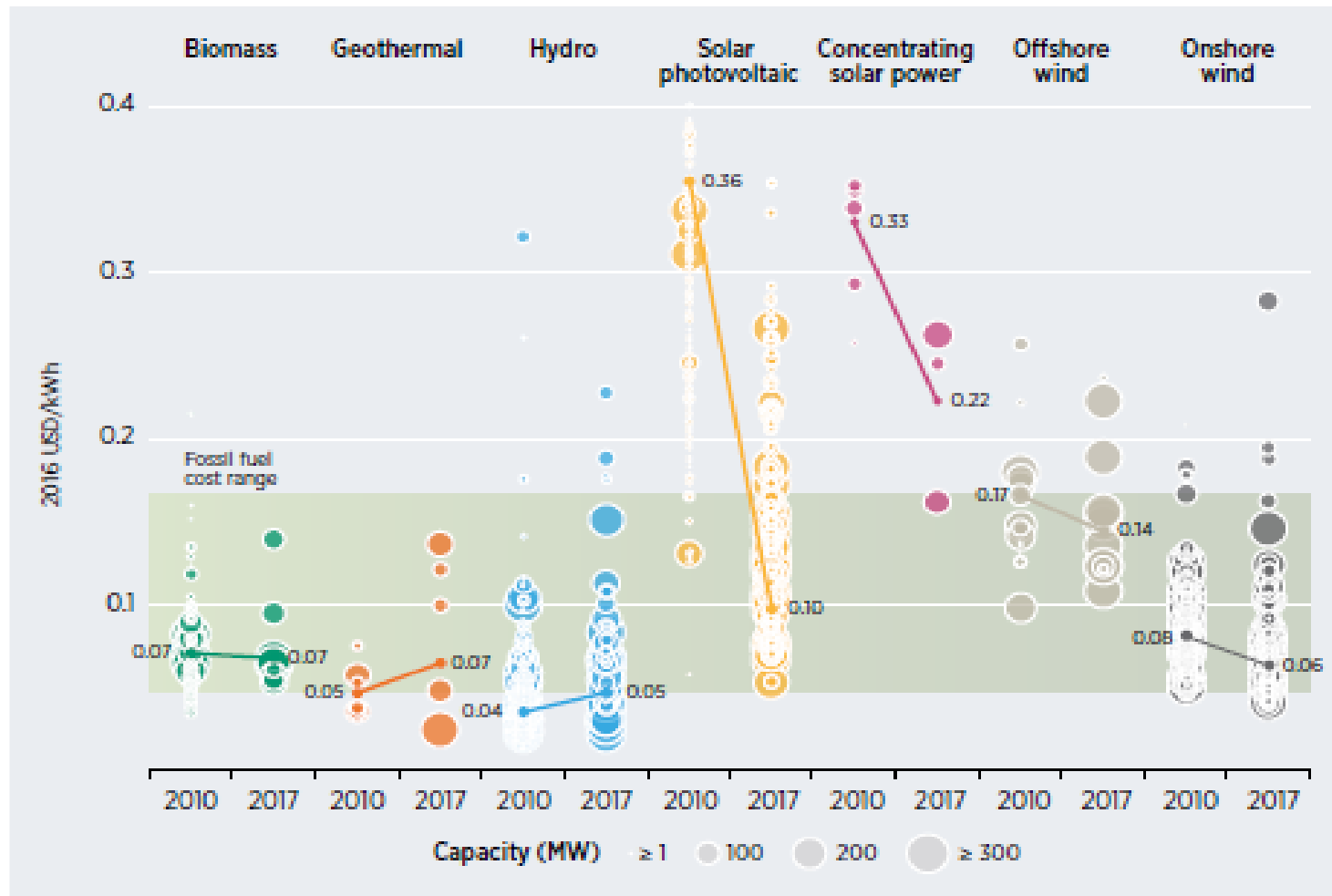
Source: PWC UK

Response: divestment: not on my dime!



Source: Ethical.net

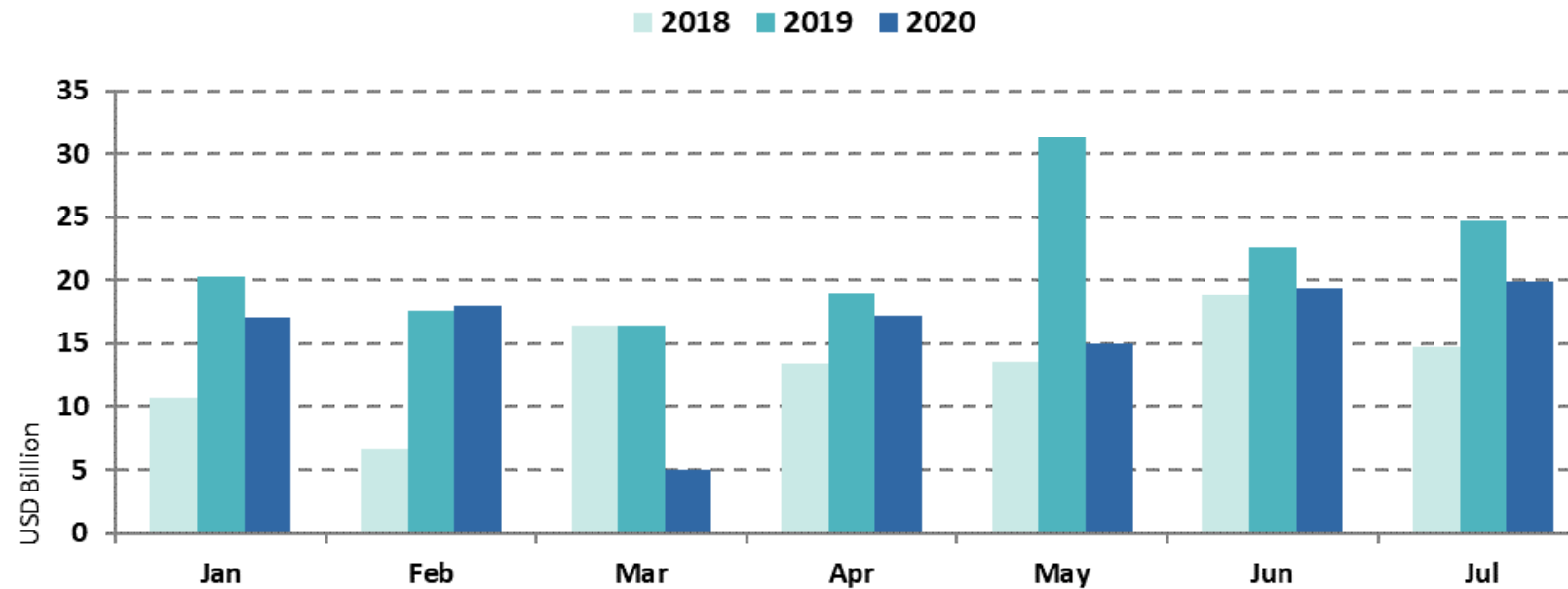
Response: renewables



Global levelized cost of electricity from RE Generation, 2010-2017

Source: IRENA Renewables Cost Database, 2017

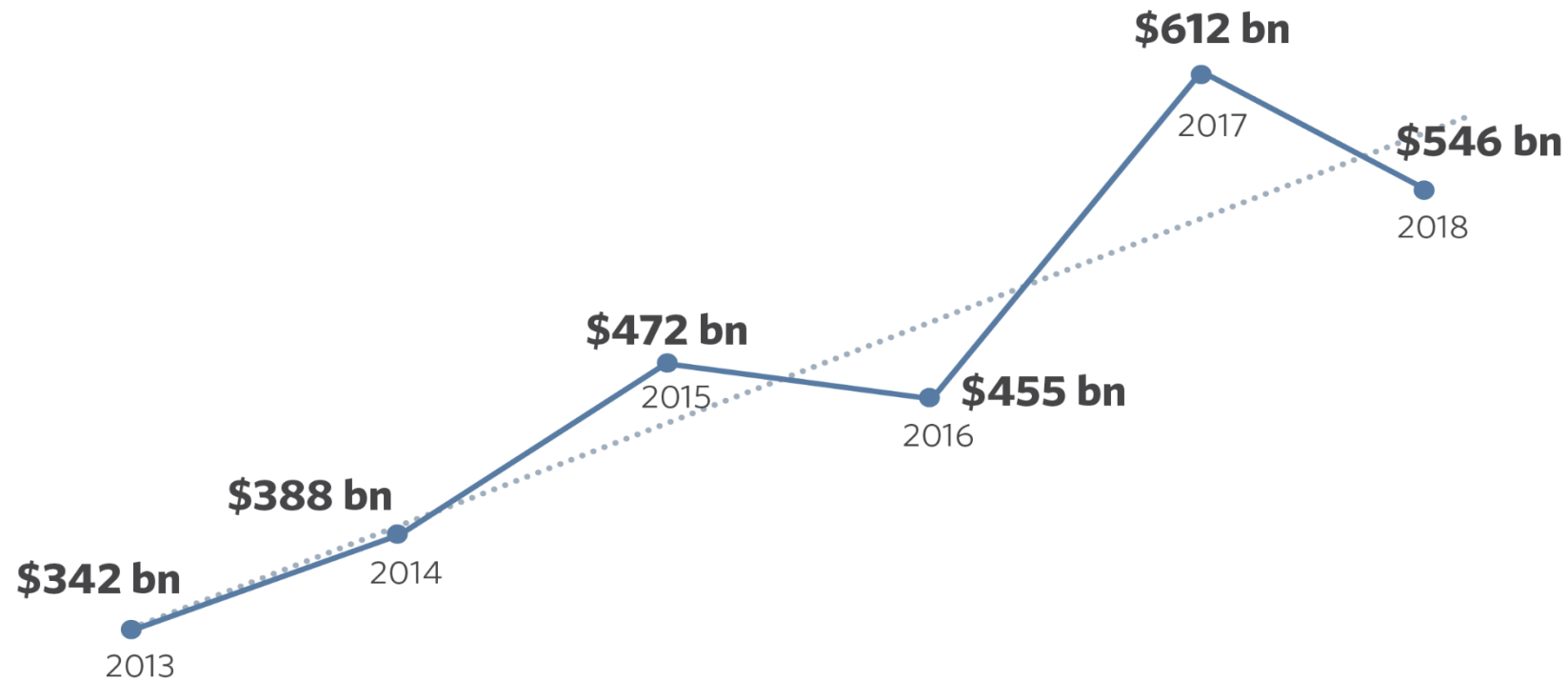
Response: Green bonds



Source: Climate Bonds Initiative

Response: climate finance

Total global climate finance flows, 2013-2018



Source: Climate Policy Initiative

Response: Green Climate Fund, a catalyst for paradigm shift



For developing countries,
particularly the most
vulnerable

Balancing mitigation and
adaptation

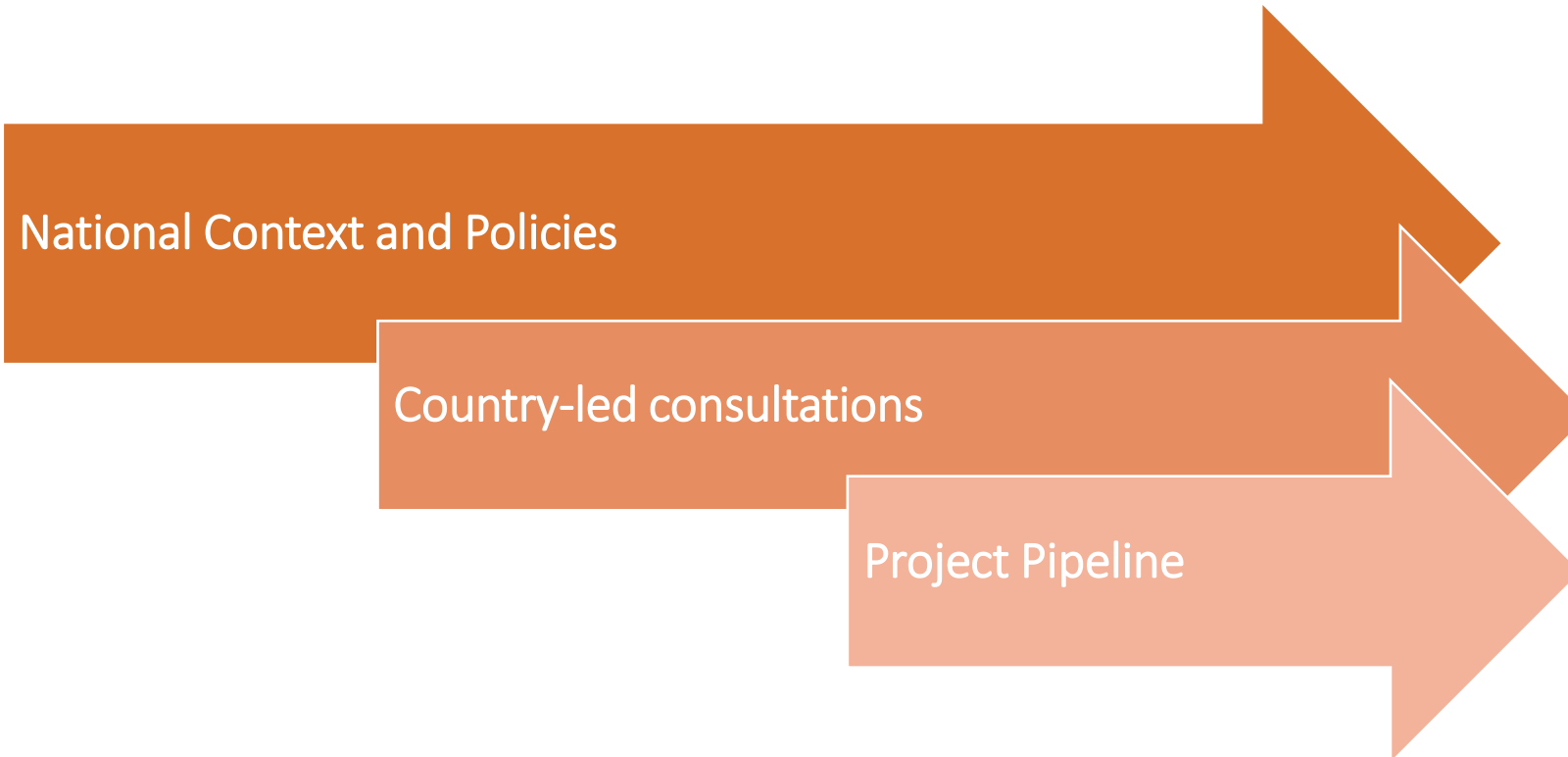
Supporting readiness and
direct access

Climate Information Services in Vanuatu - through SPREP

“The GCF Readiness support was essential in supporting the stakeholder consultation, technical analysis and design that underpins any good project proposal.” Ministry of Climate Change, Vanuatu



GCF country programming: An NDC investment plan – Zambia



Over 30 countries are following suit: Rwanda, Brazil, Federated States of Micronesia, Togo, Pakistan, Bangladesh, Dominican Republic among others

Response: Imperatives for developing countries

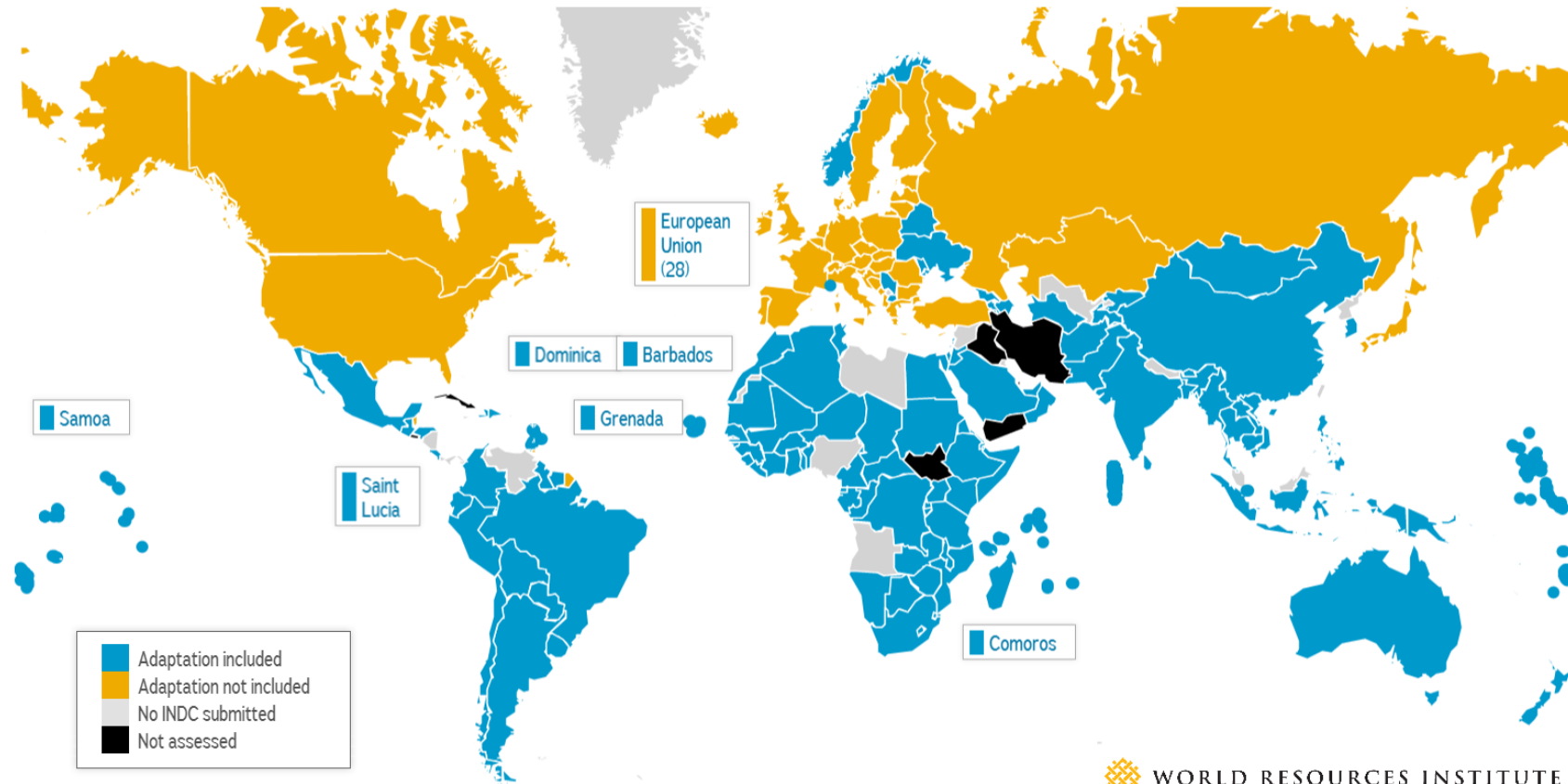


–Aligning development pathways to climate objectives

- Mitigating risk, addressing market failures, correcting policies, providing incentives, opportunities to leap-frog
- **Scaling up adaptation efforts**, addressing diverse and context specific needs

Adaptation in Paris Agreement

Adaptation included in submitted INDCs



Water: the first casualty



Water intensity,
timing, quantity,
temperature –

all change with
climate change

CENTROAMÉRICA

Seguridad hídrica y cambio climático: retos y alternativas

CAMBIO CLIMÁTICO EN CIFRAS

Guatemala



MODIFICACIONES EN LAS CONDICIONES
BIOLÓGICAS DE MÁS DEL

50%

DEL TERRITORIO GUATEMALTECO
PARA LOS AÑOS 2020 Y 2050

Se espera la expansión de los
bosques secos y muy secos,
que actualmente cubren cerca
del 20% de la República, hasta
alcanzar el 40% para el año
2050.

El Salvador



LA TEMPERATURA PROMEDIO DEL PAÍS
AUMENTA

+1.3°C

EN RELACIÓN CON LA DÉCADA DE LOS 50s
MAYOR AUMENTO ES PARTIR DE LOS 90s

El nivel promedio del mar
aumentó aproximadamente
7.8 cm, a una tasa promedio
de 1.3 mm por año.

De forma creciente, el país
se ve afectado por ciclones
y tormentas tropicales que se
originan en el Océano Pacífico.

Honduras



76,712

Productores afectados por la
sequía en agosto del 2014

Nicaragua



SE REPORTÓ UNA DISMINUCIÓN
PROMEDIO DE PRECIPITACIÓN DE

75%

EN JULIO DEL 2014

Y en algunos lugares, una
disminución de precipitación
de MENOS de:

88%

Costa Rica



DEL 2005 AL 2010

\$1.1 MILLONES

EN PÉRDIDAS POR
EVENTOS EXTREMOS

62,9%
correspondió a eventos
hidrometeorológicos como
inundaciones, lluvias intensas
y tormentas tropicales.

Panamá



UN ESCENARIO DE AGUA VULNERABILIZADA NO MITIGADA
PODRÍA REPRESENTAR UNA PÉRDIDA DE MÁS

14% PIB

DE EL
PARA EL 2100

Hacia el 2020,
Panamá podría experimentar
un aumento de la temperatura
de 0.5 a 1°C.



Centroamérica sufre de fenómenos extremos como **sequías e inundaciones**, que son agravados por los efectos negativos del cambio climático y afectan la cantidad y calidad del agua disponible.

A esto se suman condiciones ya existentes, como la degradación de cuencas hidrográficas, la falta de un ordenamiento territorial, la falta de infraestructura hídrica y la contaminación del agua.

Todos los países han avanzado con estrategias de cambio climático y gestión del recurso hídrico, pero falta una integración entre estas agendas de trabajo a nivel nacional, regional y local.

RETOS Y ALTERNATIVAS

- 1 Poner en acción las estrategias de cambio climático existentes.
- 2 Tener plataformas de coordinación con participación de los diferentes sectores.
- 3 Fortalecer capacidades para monitorear el clima y cuantificar las pérdidas generadas por fenómenos extremos.
- 4 Sensibilizar los tomadores de decisiones a nivel político sobre alternativas de acción.
- 5 Transversalizar el cambio climático en las agendas sectoriales de desarrollo.
- 6 Movilizar recursos financieros y acceder a los fondos climáticos.
- 7 Promover la integración de la agenda de adaptación de cambio climático y seguridad hídrica a nivel nacional y regional.
- 8 Fortalecer la gobernanza del agua y del cambio climático.

También es necesaria una **visión más amplia y a largo plazo** en los países, acompañada por las estrategias, las herramientas, el financiamiento y el monitoreo necesarios.



Getting the governance right: GLOBAL WATER PARTNERSHIP



A **multi-stakeholder action network** and **intergovernmental organization** dedicated to working with countries towards the equitable, sustainable, and efficient management of water resources.

3,000+ partner organizations in over **180** countries, **65+** Country Water Partnerships, and **13** Regional Water Partnerships convene and broker coordinated action by government and non-government actors.

A long-time advocate for **integrated water resources management (IWRM)**, we draw on implementation experience at the local level and link it across our Network and to global development agendas.

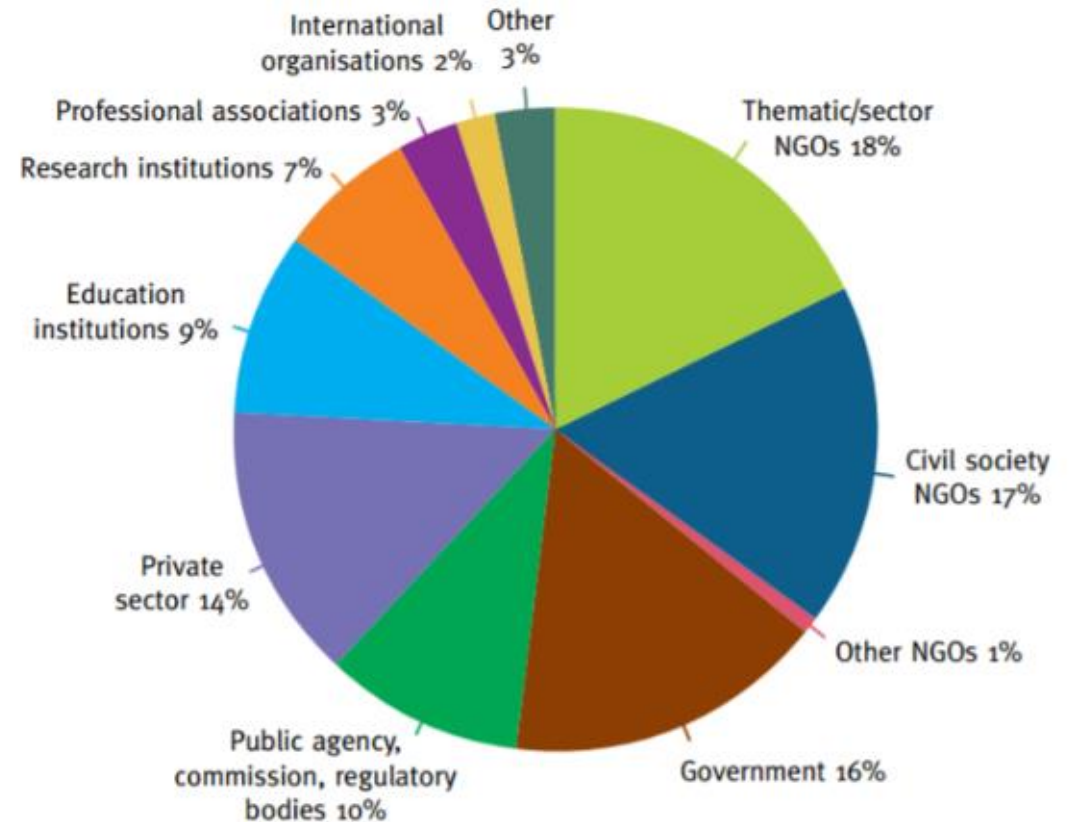
OUR VALUES

- Inclusiveness
- Openness
- Transparency
- Accountability
- Respect
- Gender sensitivity
- Solidarity

A Network of Partners

- **Advocating, facilitating, and supporting change** processes for sustainable water management.
- **A neutral platform for multi-stakeholder dialogue** at global, national, and local levels that connects water resources planning and operations.
- **Contributing technical knowledge and building capacity** for improving water management.

GWP Partners by type



Future Investment

Sustainable Investing

According to Morgan Stanley, millennials are putting their money in sustainable investments at a rate that is **2x higher** than average.

With a **\$30 trillion wealth transfer** coming to millennials in coming decades – this is not likely to stop anytime soon.



86%

are "very interested" or "interested" in sustainable investing



61%

have made at least one sustainable investment action in the last year



75%

think their investments can influence climate change



84%

think their investments can help fight poverty



www.gwp.org

www.gwptoolbox.org

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