

GARI Group, Inc. Annual Report 2022



Letter from GARI Chair



Climate resilience and adaptation investment is an urgent and critical priority. Climate risks and impacts in 2022 alone devastated Pakistan, California, Puerto Rico, and more, disrupting lives and livelihoods as well as natural resources and biodiversity. Climate “shocks” have become so frequent and severe that they call the question of whether “shock” can be applied to events that are becoming increasingly commonplace and seemingly inevitable. In addition to the unfolding humanitarian tragedy of climate change, impacts to physical assets, infrastructure, and business operations around the world are also challenging investors to accurately measure and manage these risks. At the same time, investors possess enormous financial resources that can be applied to scale up solutions and technologies to address the need for climate resilience and adaptation. Consequently, investors have an important role to play in helping to build resilience in the face of climate impacts and to incorporate climate risks in their investment decisions.

Investors can also drive a “Climate 2.0” perspective that integrates climate resilience and adaptation considerations into the drive toward Net Zero – making commitments to “Resilient Net Zero.” The future we all face will need to be both low carbon and resilient and adapted to the effects of climate change.

The Global Adaptation & Resilience Investment Working Group (GARI) was conceived at COP21 in conjunction with the UN Secretary General’s A2R Climate Resilience Initiative to bring together private investors and a range of other stakeholders to focus on investment in climate adaptation and resilience. The idea was to bring together interested investors, climate experts, and other stakeholders to focus on how to practically invest in adaptation and climate resilience and address the need for both impact and financial return.

Since its launch in 2015, GARI has met upwards of 50 times and engaged over 500 private investors and other stakeholders in open and dynamic forums. GARI is now institutionalized as a non-profit and is fulfilling our original vision for how this group of stakeholders can help drive our mission to catalyze private sector investment in resilience. Today GARI is an international peer-to-peer learning community that provides a forum for discussion, engagement and networking among practitioners, experts and other stakeholders to help forge partnerships and spark new solutions for private sector investment in adaptation and resilience.

Thanks to all GARI working group members and participants. GARI would not be possible without the support of The Kresge Foundation, The Lightsmith Group, Nixon Peabody, State Street Global Advisors Foundation, and other institutions that provided in-kind support as well as a number of dedicated individuals. Continued support for our mission is critical, and we have an enormous mission ahead to achieve together.

Sincerely,
Jay Koh
Founder and Chair

A handwritten signature in black ink, appearing to read "Jay Koh", written in a cursive style.



Our Mission

To catalyze investment in resilience

Our Vision

To provide education, research and resources to build awareness and capacity in the private sector towards our mission to catalyze investments in resilience.

GARI is supported by a volunteer group of Directors, Advisors and Donors.

Board of Directors

Jay Koh, The Lightsmith Group
Chair

Sanjay Wagle, The Lightsmith Group

Secretary

Ernest Chung, Nixon Peabody LLP

Board of Advisors

John Chow, WSP

Ernest Chung, Nixon Peabody LLP

Lois DeBacker, Kresge Foundation

Jay Koh, The Lightsmith Group

Emilie Mazzacurati, Arsht-Rock

Nick Shufro, FEMA

Carlos Sanchez, CCRI and WTW

Serena Shi, The Lightsmith Group

Stacy Swann, Climate Finance Advisors,
a WSP Company

Donors

State Street Bank

The Kresge Foundation

In-Kind Donors

Nixon Peabody LLP

The Lightsmith Group

GARI 2022 Strategic Objectives

GARI enlisted support from the GARI Advisory Board and input from the GARI working group to create a set of strategic objectives for 2022 and beyond that will guide and inform GARI activities and pursuits.

GARI Strategic Objectives

1. Expand and deepen thought leadership and dissemination of information
2. Broaden and deepen the GARI stakeholder network
3. Broaden engagement with regional and global fora
4. Focus on identification and development of new climate resilience investment instruments

Values of GARI

- ❖ Private-sector led
- ❖ Multi-disciplinary
- ❖ Voluntary and open participation
- ❖ Practitioner and solutions oriented



Thought Leadership: Resilience Investing Priorities

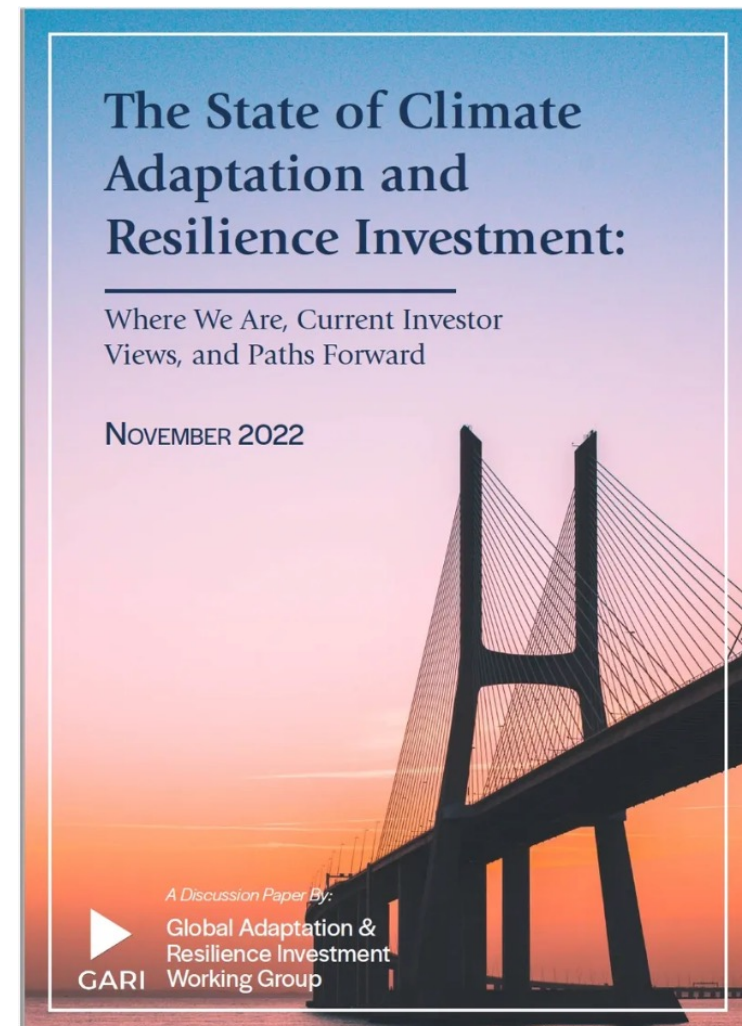


“The State of Climate Adaptation and Resilience Investment”

Learnings from GARI activities in 2022 culminated in the year-end discussion paper. Based on input from four GARI 2022 Working Group convenings (January, April, June, September), panelists, primary industry research and a 2022 survey of members, *The State of Climate Adaptation and Resilience Investment* identified the following priorities for resilience investing:

Top 5 Priorities

1. **Metrics and standards** - Developing metrics and standards for risk management and opportunity assessment
2. **Pricing** - Pricing climate risk into investments as a key decision tool
3. **Practical frameworks** - Creating practical frameworks for resilience investment
4. **Resilient net zero** - Incorporating resilience into net-zero initiatives and goals
5. **Social impact** - Focusing on social impact, environmental justice and inclusive equity in investments.



*Released at COP27 in
November 2022*

Thought Leadership: GARI Working Group Convenings

June 2022 Public/Private Financing Panel

GARI Advisory Board members John Chow and Stacy Swann of WSP led a panel discussion around three key questions from city, state, national, and international perspectives. The questions included the needs for investments in resilience, how to leverage public funding, and the opportunities and challenges for public/private partnerships in resilience financing.

Panelists representing the private sector included IFAD, GEF/World Bank, CPI, PFAN, UNDP, Climate Adaptation Works and the Climate Bonds Initiative.

Public sector panelists included representatives from Miami-Dade County, San Francisco Public Utilities Commission, NYSERDA and the City of Alexandria, Virginia.



CLIMATE
POLICY
INITIATIVE



Thought Leadership: GARI Working Group Convenings

September 2022 Investor Panel

An investor panel organized and moderated by GARI Advisory Board member Emilie Mazzacurati focused on emerging financial structures and incentives to attract private sector capital to resilience investments and to reducing climate risks and increasing resilience of all financial investments.

Climate Bonds ^{INITIATIVE}



The Lightsmith Group

J.P.Morgan

IIGCC

The Institutional Investors
Group on Climate Change

NUVEEN



Broaden Network: GARI 2022 Virtual Speaker Series



Virtual Speaker Series

The Virtual Speakers Series was launched in partnership with Tata Consultancy Services to broaden engagement and showcase thought leadership of GARI working group members and resilience investment experts in the private sectors. Three panel discussions were held in 2022 with public access to these online forums.



Building on belief

The Role of Insurance in Delivering Resilience: Financing Adaptation and Underwriting Climate Risk

Thursday, May 12, 2022
09:30 – 11:00 EDT | 15:30 – 17:00 CET

SPEAKERS


Bridget Gainer
Aon


Lauren Carter
UNDP


Lori Collins
GARI Working Group


Abhishek Dhawan
UNCDF


Andrew Eil
TCS




Register





DRIVING CLIMATE-RESILIENT DESIGN IN WATERFRONT DEVELOPMENT: WEDG STANDARDS AND NEW PRACTICES IN COASTAL REAL ESTATE


Global Adaptation & Resilient Investment (GARI) Working Group Event Series


10:30 AM - 12 PM
20 OCT


BONNIE CAMPBELL
Principal, Two Trees Management Company
Speaker


JOSEPH SUTKOWI
Chief Waterfront Design Officer, Waterfront Alliance
Speaker


SHALINI VAJJHALA
Founder, re:focus partners
Speaker


ANDREW EIL
Climate Risk & Resilience Consultant
Moderator


LORI COLLINS
Strategic Advisor, GARI Working Group
Host

Through the lens of Waterfront Alliance's WEDG® (Waterfront Edge Design Guidelines), this panel will explore what resilient design standards are, who uses them, and what their benefits are. Panelists will bring their perspectives in real estate and finance to shed light on how design standards can drive adaptation investment at-scale in the US and beyond.

Register at bit.ly/gariwedg



Making Resilience Count: New Accounting Approaches for Quantifying Benefits of Climate Resilience Investment

Global Adaptation & Resilient Investment (GAR) Working Group Event Series

10:30 AM - 12 PM ET
10 Nov

Registration [here](#).


David Espinoza
Geosyntec Consultants


Javier Rojo
SustainAbility SA


Jan Whittington
University of Washington


Andrew Eil
Climate Risk & Resilience Consultant


Lori Collins
GARI

Can an alternative to traditional financial models for valuing resilience catalyze investment ?

Broaden Network: Social Media and Partnerships



GARI reached beyond the core working group membership in 2022 through more public media such as LinkedIn and by promoting events through partners and panelists networks.

2022 Outreach Initiatives

1. LinkedIn

- GARI Company page
- GARI Group page
- Virtual Speaker Series promotion
- Posts, reshares, member engagement

2. Partnerships

- Partners promoted to their networks
- Panelists promoted to their networks

3. Website

- Blog established with event summaries
- Events promoted with online registration

Global Adaptation & Resilience Investment Working Group (GARI)
Financial Services
New York City, New York
658 followers
2 connections work here
Following View page

GARI 2022 EVENT SUMMARIES

November 12, 2022
Speaker Series: Making Resilience Count
On November 10, 2022 GARI hosted the third event in its virtual speaker series with a panel discussion on new accounting approaches to valuing resilience in investments. Andrew Eil at Tata Consultancy Services moderated ...

Global Adaptation & Resilience Investment Working Group (...)
658 followers
2mo · 🌐

If you missed this session on assessing the value of resilience, you can now catch the recording on the GARI website in the Convenings section.

Global Adaptation & Resilience Investment Working Group (...)
658 followers
4d · Edited · 🌐

Register now for the GARI 2023 Kickoff on February 8th. Agenda includes participant updates and a review of GARI's plans for 2023 in the context of top priorities identified by the working group members in GARI's 2022 · ...see more

Welcome! You are invited to join a meeting: GARI 2023 Kick-off Meeting. After registering, you will receive a confirmation email about joining the...
us02web.zoom.us · 1 min read
Welcome! You are invited to join a meeting: GARI 2023 Kick-off Meeting. After registerin...

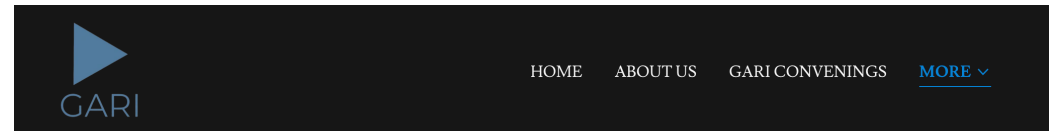
Chiara Trabacchi and 6 others
3 comments · 2 reposts

Engagement with Regional and Global Fora



GARI 2022 Fora Engagements

1. *Metrics and Measurements for Climate Resilience* working group participation with UNIDO and BFA Consulting
2. Climate investment metrics case study developed in collaboration with Waterfront Alliance and shared with UNIDO
3. COP27 side events
4. GARI Working Group 2022 Survey partners
 - + CCRI (Coalition for Climate Resilient Investment)
 - + IIGCC (Institutional Investors Group for Climate Change)
 - + LTIIA (Long Term Infrastructure Investors Association)



RESOURCES



GARI works closely with organizations across the globe to increase understanding of resilience investment and motivate action. Check here for case studies, research and white papers.

Case Study: Waterfront Resilience

To further incentives for resilience in waterfront development, Waterfront Alliance has created Waterfront Edge Design Guidelines (WEDG), a national rating system and set of guidelines developed to create resilient, ecological, and accessible assets along the water's edge. This case study demonstrates that once constructed and operational, designing beyond code for resilience offers a 4:1 benefit-cost ratio and 6:1 for resilience against storm surge on a continuous basis for the new, often improved useful life of the waterfront asset. [Download the Case Study below.](#)

Identification of New Investment Instruments

GARI Spotlight on New Investment Instruments

1. Insurance

- Topic: *Explore the role of the insurance industry both in underwriting climate risk to protect the global poor, and to invest in climate-resilient infrastructure.*
- Expert panelists in May 2022 included:
 - ❖ Aon
 - ❖ UNDP
 - ❖ UNCDF/ Climate Insurance Linked Resilient Infrastructure (CILFR) tool



tcs TATA CONSULTANCY SERVICES

Building on belief

The Role of Insurance in Delivering Resilience:
Financing Adaptation and Underwriting Climate Risk

Thursday, May 12, 2022
09:30 – 11:00 EDT | 15:30 – 17:00 CET

SPEAKERS

- Bridget Gainer, Aon
- Lauren Carter, UNDP
- Lori Collins, GARI Working Group
- Abhishek Dhawan, UNCDF
- Andrew Eil, TCS

Register

2. Waterfront resilience incentives

- Topic: *How the WEDG certification for waterfront design can provide financial incentives to real estate developers for more resilient buildings and communities*
- Expert panelists in October 2022 included:
 - ❖ Two Trees Management Company
 - ❖ Waterfront Alliance
 - ❖ Re:focus Partners



GARI

DRIVING CLIMATE-RESILIENT DESIGN IN WATERFRONT DEVELOPMENT: WEDG STANDARDS AND NEW PRACTICES IN COASTAL REAL ESTATE

10:30 AM - 12 PM
20 OCT

Global Adaptation & Resilient Investment (GARI) Working Group Event Series

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- SHALINI VAJJHALA, Founder, re:focus partners, Speaker
- ANDREW EIL, Climate Risk & Resilience Consultant, Moderator
- LORI COLLINS, Strategic Advisor, GARI Working Group, Host

Through the lens of Waterfront Alliance's WEDG® (Waterfront Edge Design Guidelines), this panel will explore what resilient design standards are, who uses them, and what their benefits are. Panelists will bring their perspectives in real estate and finance to shed light on how design standards can drive adaptation investment at-scale in the US and beyond.

Register at bit.ly/gariwedg

WATERFRONT ALLIANCE re:FOCUS TWO TREES

Identification of New Investment Instruments

GARI Spotlight on New Investment Instruments

3. Accounting for Resilience Investments

- Topic: *How to encourage investors and project developers to properly value climate resilience and explore new accounting approaches to valuing resilience in investments.*
- Expert panelists in November 2022 included:
 - ❖ Geosyntec Consultants
 - ❖ University of Washington Urban Infrastructure Lab
 - ❖ SustainAbility Strategic Advisors



Making Resilience Count: New Accounting Approaches for Quantifying Benefits of Climate Resilience Investment
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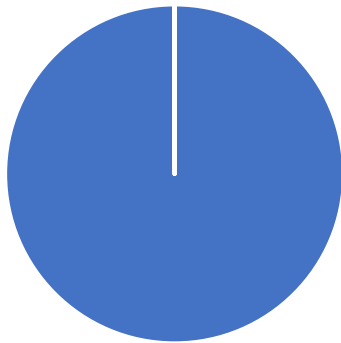
Can an alternative to traditional financial models for valuing resilience catalyze investment ?

Financials and Looking Ahead

2022 Financials

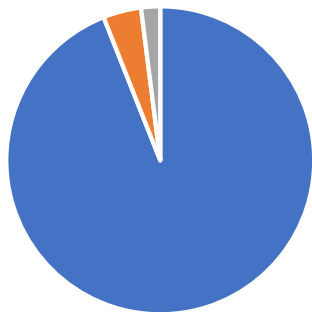
2022 Revenue

■ Foundations



2022 Expenses*

■ Management ■ Publications ■ Other



2023 Goals and Initiatives

1. Thought leadership

- Working group convenings - quarterly
- GARI Virtual Speaker Series - quarterly
- Website as digital platform /resource
- Resilience investing white paper

2. Broaden engagement

- Outreach to additional investors
- Diversity focus for panelists and events
- Regional & global partnerships

3. Expand support

- Build the Investor Community of Practice and Knowledge Management tools to attract funding
- Continue to deliver on mission to provide benefits for private sector support

Thank you



We want to thank our working group members and supporters again for their continued support, which is critical to our success. We look forward to continuing our work to catalyze investment in resilience.

Jay L. Koh

Chair

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