

# GARI 2018.01 Kickoff Meeting



**Jay L. Koh**  
Managing Director

The **Lightsmith** Group

***12 February 2018 • Washington DC***

# Agenda

---

- + 08:30 – 09:00 Coffee and registration
- + 09:00 – 09:05 Introductory Remarks (GARI Chair Jay Koh, Host Svante Persson (IADB/PROADAPT))
- + 09:05 – 09:15 GARI Participant Introductions (Name, Organization)
- + 09:15 – 10:00 Discussion Topic: 2017 Recap, Investor Guide, Lender Guide
- + 10:00 – 10:15 Coffee Break & Networking
- + 10:15 – 10:45 Discussion Topic: 2018 Agenda – Metrics & Opportunities
- + 10:45 – 11:00 Wrap up and Next Steps

Web Access: [join the meeting](#)

Meeting number (access code): 734 487 940

Meeting password: MtwGs232

**+1-650-479-3207** Call-in toll number (US/Canada)

[Global call-in numbers](#)

# Global Adaptation & Resilience Investment Working Group (GARI)

GARI, the Global Adaptation & Resilience Investment Working Group, focuses on the intersection of investment and adaptation and climate resilience



THE UN SECRETARY-GENERAL'S  
CLIMATE RESILIENCE INITIATIVE

- + The Global Adaptation and Resilience Investment Working Group (“GARI”) is a **private sector-led and launched initiative** that was **announced at the Paris COP21** talks in December 2015 in conjunction with the UN Secretary General’s Climate Resilience Initiative ([Link](#))



GARI

- + GARI has brought together **over 200 private and public sector investors, leaders and other stakeholders** to discuss critical issues at the intersection of climate adaptation and resilience and investment with the objective of helping to assess, mobilize and catalyze action and investment in 2016-2017



MARRAKECH  
COP22|2016|CMP12  
UN CLIMATE CHANGE CONFERENCE

- + At COP22, GARI released ***Bridging the Adaptation Gap*** ([Link](#)), a 2016 GARI discussion paper discussing two key topics (**Approach to Climate Adaptation and Resilience Risk** and **Identification of Investments in Climate Adaptation and Resilience**)



- + At One Planet Summit, GARI released ***An Investor Guide to Physical Climate Risk & Resilience*** ([Link](#)), a 2017 GARI paper describing physical climate risk & resilience for investors

# GARI 2017 Recap

+ 5 Meetings: NYC, Washington DC, London, NYC, NYC

+ GARI 2017 Investor Guide:

- + draft released at Bonn COP23
- + final released at Paris One Planet Summit

+ Bonn COP23:

- + Formal partnership recognized by UN Secretary General's A2R Climate Resilience Initiative
- + GARI working group activities presented at 13 side events



**COP23 | FIJI**  
UN CLIMATE CHANGE CONFERENCE  
**BONN 2017**

**GARI: Global Adaptation & Resilience Investment Working Group**

GARI is a private sector-led initiative focused on the intersection of investment and adaptation and climate resilience

- Launched at Paris COP21 in conjunction with UN Secretary General's A2R Climate Resilience Initiative
- Convened 150+ private investors & other stakeholders in 10 meetings in 2016 & 2017
- Released 2016 GARI Discussion Paper at Marrakech COP22
- Released Draft 2017 GARI Investor Guide at Bonn COP23

[www.garigroup.com](http://www.garigroup.com)

The Lightsmith Group

# GARI 2018 Agenda



- + 4 Meetings: Washington DC, NYC, Europe, NYC
- + Additional Meetings:
  - + California, Asia, Latin America (?)
- + Outreach Meetings: Investor Convenings

- + Discussion Topics:
  - + Metrics (Practical)
  - + Opportunities (Practical)
  - + Other Suggestions

- + Format:
  - + GARI Participant Presentation
  - + Discussions

- + COP24 Participation

# GARI 2018 Agenda: Institutionalization

---



- + Entity Formation
  - + Forming nonprofit entity
  - + Partnering relationships (A2R CRI)
- + Fundraising
  - + \$500K-\$1MM funding target
- + Staffing
  - + Target Headcount: 2
  - + Convening, drafting, editing
  - + Travel, IT, content generation

## Actively Seeking Support

- Contributions by GARI participants
- Engagement with other funders
- Support for applications

# Next Steps

---

- + GARI 2018 Meeting Schedule
- + GARI 2018 Discussion Topics
  - + Participant Presentations
  - + Innovations & Developments
- + GARI 2018 Output
- + GARI Resource Mobilization
- + Other Business

---

# Appendix

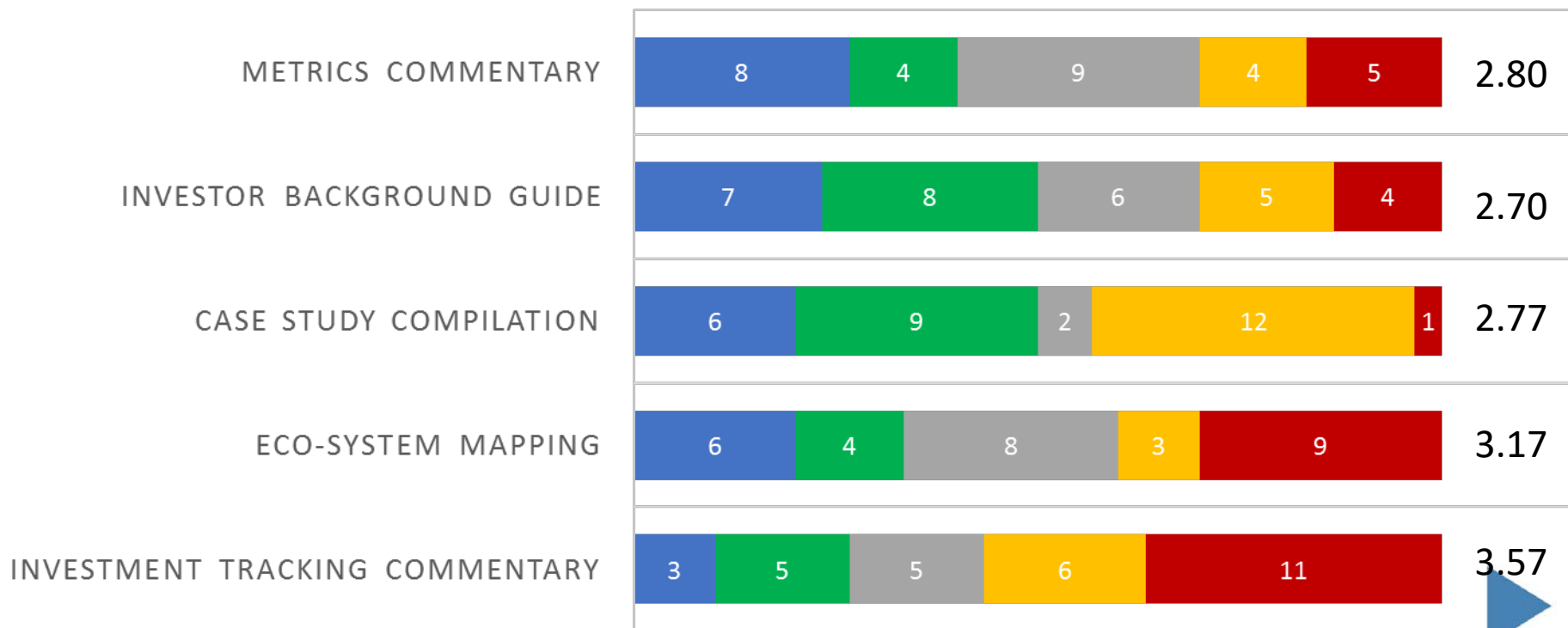


# 2017 GARI Agenda Survey: Primary Topic Preferences

+ With GARI's current purely voluntary, ad hoc and pro-bono resources and the active engagement of GARI participants, the following topics raised by GARI participants seem addressable by GARI in 2017. Please rank them in your order of preference (1 = highest priority; 5 = lowest priority):

## GARI 2017 PRIMARY TOPIC PREFERENCES

■ 1 ■ 2 ■ 3 ■ 4 ■ 5



# GARI 2017 Primary Topic Preferences

+ Strongest preference for Investor Background Guide, closely followed by Metrics Commentary and Case Study Compilation



- **Investor Background Guide:** (2.70) Short practical guide for investors providing list of references around adaptation and resilience issue; list of approaches to risk analysis; list of investment opportunities; list of potential questions



- **Metrics Commentary:** (2.77) Compiling existing approaches to physical climate risk analysis (e.g. TCFD and article 173) and providing summaries and commentary



- **Case Study Compilation:** (2.80) on (i) portfolio or asset physical climate risk analysis and/or (ii) investments in resilience from GARI participants and others; collecting summaries of their findings, and commentary on their relevance to private investors

- **Eco-system Mapping:** (3.17) Compiling a list of other institutions and stakeholders focusing on adaptation, climate resilience and investment; providing short summaries of their scope, and commentary on their relevance in particular to private investors

- **Investment Tracking Commentary:** (3.57) Compiling existing approaches to tracking investment in adaptation and climate resilience and providing feedback and commentary on the definition, process or results from the point of view of investors

# Investor Background Guide

---

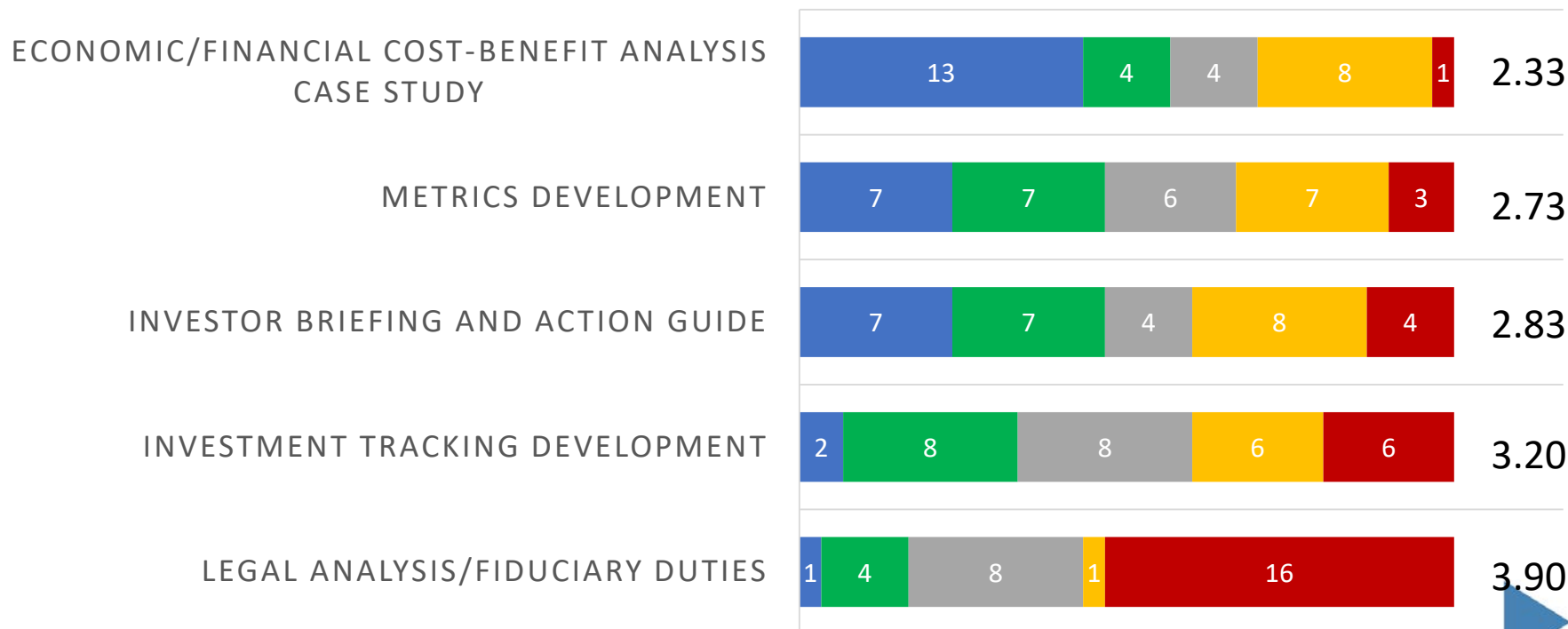
- + Targeted Deliverable: Short practical guide for investors: [1 pager, 10-15 pages]
- List of references around adaptation and resilience issue
  - Investment Advisor Reports: BlackRock, Mercer, Cambridge Associates
  - Disclosure Literature: TCFD, Article 173 Commentary, IIGC
  - Market Analysis: CPI, EBI, UCL/kMatrix
- List of approaches to risk analysis
  - Rating Agencies: S&P, Moody's, Fitch
  - Real Assets: FEMA, Insurance/Re-Insurance, Flood Mapping
  - Disclosure/Regulatory: Article 173, TCFD, EU
- List of investment opportunities
  - GARI Discussion Paper
  - Case study compilation
- List of potential questions
  - Due diligence questions for managers, companies
- **Metrics Commentary**: (2.77) Compiling existing approaches to physical climate risk analysis (e.g. TCFD and article 173) and providing summaries and commentary
- **Case Study Compilation**: (2.80) on (i) portfolio or asset physical climate risk analysis and/or (ii) investments in resilience from GARI participants and others; collecting summaries of their findings, and commentary on their relevance to private investors

# 2017 GARI Agenda Survey: Enhanced Topic Preferences

+ With additional financial resources to support 1-2 FTE staff and/or contract with outside parties to complete additional work, one or two of the following topics suggested by GARI could be addressed in 2017. Please rank them in your order of preference (1 = highest priority; 5 = lowest priority):

## GARI 2017 ENHANCED TOPICS PREFERENCES

■ 1 ■ 2 ■ 3 ■ 4 ■ 5



# GARI 2017 Enhanced Topic Preferences

- + Clear first preference for Economic/Financial Cost Benefit Analysis – on investment or on portfolio



- **Economic/Financial Cost-Benefit Analysis:** (2.33) Complete case study on either (i) an investment in adaptation and resilience, focusing on financial cost-benefit impact and risk/return; or (ii) portfolio screened for physical climate risk, focusing on financial performance implications (risk and return) from screening or tilting portfolio. Would likely involve in depth work on a specific investment or on a specific portfolio, market performance data analysis, financial modeling.
- **Metrics Development:** (2.73) Working to develop a set of metrics that can be applied by investors to evaluate physical climate risk and/or resilience benefit. Would likely require technical research, analysis and writing work outside of GARI meetings
- **Investor Briefing and Action Guide:** (2.83) More detailed practical guide for investor laying out potential process for screening portfolios and investments for physical climate risk and for looking for investment opportunities. Would likely involve full-time drafting and editing support, more engagement with other investor and stakeholder groups
- **Investment Tracking Development:** (3.20) Working to define types of adaptation and resilience investment; collecting, screening, aggregating data around adaptation and resilience investments, and publishing first annual result/benchmark. Would likely require external support for research into investments and development and maintenance of a database outside of GARI meetings. Could involve work with CPI, DFIs, institutional investor groups, investment management data suppliers
- **Legal Analysis/Fiduciary Duties:** (3.90) Complete review of legal and fiduciary responsibilities for investors arising from adaptation and climate resilience issues. Would likely involve engagement with a law firm or law school or PRI or others in evaluating legal, financial responsibilities