

# Launch of the EU Strategy on Adaptation to Climate Change

29 April 2013

European Commission, CHARLEMAGNE  
room DE GASPERI and JENKINS  
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1000 Brussels

## Proceedings



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**Conference webpage:** Webcast videos, conference background document, speaker biographies, pictures of the event all available at:

[http://ec.europa.eu/clima/events/0069/index\\_en.htm](http://ec.europa.eu/clima/events/0069/index_en.htm)

## 1. Introduction

In view of the specific and wide ranging nature of climate change impacts on the EU territory, adaptation measures need to be taken at all levels, from local to regional and national to EU levels. The European Union has recognised its important role in filling both knowledge and action gaps. Thus, the European Commission has adopted a Green Paper on Adaptation<sup>1</sup> (EC, 2007) followed by a White Paper “Adapting to climate change: Towards a European framework for action<sup>2</sup>” (EC, 2009). These efforts have been complemented through the adoption of the EU strategy on adaptation to climate change<sup>3</sup> on 16 April 2013 (EC, 2013).

The overall objective of the EU strategy on adaptation to climate change is to contribute to a more climate-resilient Europe. It aims to enhance the preparedness and capacity to respond to the impacts of climate change at local, regional, national and EU levels, developing a coherent approach and improving coordination.

The EU strategy on adaptation to climate change consists of a package of various documents. The main political document is a Communication “An EU strategy on adaptation to climate change”<sup>4</sup>, setting out eight actions to be undertaken in the strategy’s three priority areas: promoting action by Member States, better informed decision making, and promoting adaptation in key vulnerable sectors. The Communication is complemented by accompanying documents concerning adaptation in specific sectors and policy areas: migration, marine and coastal areas, health, infrastructure, agriculture, cohesion policy and a green paper on the insurance of natural and man-made disasters. Guidelines on preparing national adaptation strategies are also included. All documents can be found under the following link: [http://ec.europa.eu/clima/policies/adaptation/what/documentation\\_en.htm](http://ec.europa.eu/clima/policies/adaptation/what/documentation_en.htm).



<sup>1</sup> [http://europa.eu/legislation\\_summaries/environment/tackling\\_climate\\_change/l28193\\_en.htm](http://europa.eu/legislation_summaries/environment/tackling_climate_change/l28193_en.htm)

<sup>2</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52009DC0147:EN:NOT>

<sup>3</sup> [http://ec.europa.eu/clima/policies/adaptation/what/documentation\\_en.htm](http://ec.europa.eu/clima/policies/adaptation/what/documentation_en.htm)

<sup>4</sup> [http://ec.europa.eu/clima/policies/adaptation/what/docs/com\\_2013\\_216\\_en.pdf](http://ec.europa.eu/clima/policies/adaptation/what/docs/com_2013_216_en.pdf)

## 2. Aim of the conference and agenda

The EU strategy on adaptation to climate change was launched at a conference on 29 April 2013 in Brussels bringing together policy makers and practitioners working on adaptation to the impacts of climate change across Europe. The one-day event provided an opportunity to present and discuss the EU strategy on adaptation to climate change as well as the framework it establishes, its main focus areas and suggested actions.

The conference was organised along the following agenda:

|               |  |  |
|---------------|--|--|
| 10:30 onwards | <b>REGISTRATION AND COFFEE</b>   |  |
| 11:30 - 11:45 | <b>Welcome, high level statement</b><br>Commissioner <b>Connie Hedegaard</b> , <i>European Commissioner, DG Climate Action</i>   |  |
| 11:45 - 13:00 | <b>High-level Roundtable on approaches to Adaptation to Climate change</b><br><i>Moderator: Jacki Davis</i><br><b>Panel</b><br><b>Connie Hedegaard</b> , <i>European Commissioner, DG Climate Action</i><br><b>Ville Niinistö</b> , <i>Minister of Environment, Finland</i><br><b>Matthias Groote</b> , <i>Chair ENVI Committee, European Parliament</i><br><b>Noel Casserly</b> , <i>Irish Presidency of the Council of the EU</i><br><i>Possible Q&amp;A from the audience</i> |  |
| 13:00 - 14:30 | <b>LUNCH BREAK</b>   |  |
| 14:30 - 15:30 | <b>Panel 1: Impacts of climate change and adaptation action: State-of-Play</b><br><i>Moderator: Jacki Davis</i><br><i>Rapporteur: André Jol, Head of group on vulnerability and adaptation, EEA</i><br><b>Panel</b><br><b>Kristalina Georgieva</b><br><i>European Commissioner DG ECHO</i><br><b>Jacqueline McGlade</b><br><i>Executive Director, EEA</i><br><b>Dominique Ristori</b><br><i>Director General, JRC</i><br><i>Possible Q&amp;A from the audience</i>               | <b>Panel 2: The contribution of cities to a climate resilient Europe</b><br><i>Moderator: Humberto Delgado Rosa, Director, DG Climate Action</i><br><i>Rapporteur: Paul Bevan, Secretary general EUROCITIES</i><br><b>Panel</b><br><b>Walter Deffaa</b><br><i>Director General, DG REGIO</i><br><b>Wolfgang Teubner</b><br><i>Regional Director, ICLEI European Secretariat</i><br><b>Lari Pitkä-Kangas</b><br><i>Deputy Mayor, City of Malmö</i><br><b>Evelyne Huytebroeck</b><br><i>Brussels-Capital Region's Minister for the Environment, Energy, Urban Renewal and Welfare</i><br><i>Possible Q&amp;A from the audience</i> |

|             |   |  |
|-------------|---|--|
| 15:30-16:00 | <b>COFFEE BREAK</b>   |  |
| 16:00-17:00 | <b>Panel 3: Mainstreaming adaptation: a combined effort</b><br><br><i>Moderator: <b>Jos Delbeke</b>, Director General, DG Climate Action</i><br><br><i>Rapporteur: <b>Tomasz Chruszczow</b>, Head of Polish Delegation to the international negotiations of climate change related issues</i><br><br><b>Panel</b>                   | <b>Panel 4: Managing climate risks and financing adaptation</b><br><br><i>Moderator: <b>Jacki Davis</b></i><br><i>Rapporteur: <b>Nancy Saich</b>, Adviser in Climate and Environment, EIB</i><br><br><b>Panel</b><br><br><b>Mario Nava</b><br><i>Acting Director "Financial institutions", DG Internal Market</i><br><br><b>Helen Mountford</b><br><i>Deputy Director, Environment Directorate, OECD</i><br><br><b>Ernst Rauch</b><br><i>Head Corporate Climate Centre, Climate &amp; Renewables, Munich RE</i><br><br><b>Craig Davies</b><br><i>Senior Manager, EBRD</i><br><br><i>Possible Q&amp;A from the audience</i> |
|             | <b>Janez Potočnik</b><br><i>European Commissioner, DG ENV</i><br><b>Jerzy Plewa</b><br><i>Director General, DG AGRI</i><br><b>Marco Onida</b><br><i>Secretary General, Alpine Convention</i><br><b>Matthew Arndt</b><br><i>Head of Environment, Climate and Social office, EIB</i><br><br><i>Possible Q&amp;A from the audience</i> |  |
| 17:00-17:30 | <b>Closing Session</b><br><br>Feedback from panels – Rapporteurs present panel findings<br><br>Closing remarks by <b>Jos Delbeke</b> , Director General, DG Climate Action  |  |

This report highlights the main discussion points and outcomes of the launch event, structured along the sessions as outlined in the agenda. It also includes selected statements from participants that offered to be interviewed at the event.

### 3. Welcome and opening

#### Welcome and high level statement by Commissioner Connie HEDEGAARD, DG Climate Action

##### 3 key messages:

- We have already experienced changes in climate and there is enough knowledge to start action! We shall focus first on win-win, low-cost and no-regret options and keep them flexible in order to integrate new knowledge and be able to adapt to changing conditions.
- The Commission will continue “mainstreaming” adaptation into EU policies and programmes to make them more resilient to the adverse impacts of climate change.
- All 27, soon 28 Member States of the EU, shall have a national adaptation strategy and also an action plan in place. In addition, implementation success needs to be monitored and evaluated.
- We should learn from each other and share available knowledge, especially across borders as this will be key for our future welfare.

The European Commissioner for Climate Action **Connie Hedegaard** welcomed and thanked the participants for joining the formal launch of the EU adaptation strategy. She started her welcome speech with a short film<sup>5</sup>, showing how the temperature has changed since 1880 which clearly underlines that Europe and the world both need to take mitigation and adaptation efforts. ***Climate change impacts are now unavoidable regardless of our emission reduction efforts!*** Nevertheless, climate change mitigation must remain a priority for the global community in order to avoid most severe impacts which would make adaptation too costly.

Ms. Hedegaard highlighted that across Europe, initial adaptation actions can be observed. Past examples of extreme events (e.g. heat waves across Europe in 2003, flooding in Copenhagen in 2011) give sufficient reasons to take proactive adaptation action and have adaptation strategies in place. ***Investing now in adaptation will save lives and much greater costs later!***

#### Where do we stand in the EU?

Vulnerability and impacts differ in the EU's regions. In addition, impacts in one region have consequences in others. Not all Member States, regions and cities have the same level of knowledge or capacity to respond. The Commissioner reminded the conference participants that ***we need to act and we need to act together***. She emphasised that currently only 15 EU Member States have national adaptation strategies in place. Ms. Hedegaard acknowledged this as a start, but pointed out that all 27, soon 28 MS, should have their own strategies adopted. The Commissioner also stressed that implementing concrete actions is still limited and further activities are needed with regard to the development of indicators and monitoring methodologies.

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<sup>5</sup> Link to the film: <http://we.tl/SAuaSwYmiG>

Ms. Hedegaard encouraged the participants to enhance the exchange of available knowledge and experiences. With the online platform Climate-ADAPT<sup>6</sup>, the EU aims to foster this information exchange in order to avoid reinventing the wheel in each neighbourhood/country. Climate-ADAPT is a very interactive and constantly evolving platform that facilitates knowledge sharing and learning from good practices across Europe.

### Why do we need a European adaptation strategy?

The Commissioner highlighted that climate change impacts require actions at all levels of governance, depending on their nature. There are policy fields like agriculture, environment and energy where the EU plays an important role or which fall under EU competency and thus, mainstreaming at EU level is important. In addition, the EC's role is to enhance research capacities, capacity building and knowledge transfer on adaptation. Furthermore, financial support is provided via EU funding programmes to support adaptation action. The EU Adaptation Strategy is focussed on Europe, whereas the international dimension of adaptation is already addressed under the UNFCCC.

The **key actions of the Strategy** can be briefly summarised as follows: First, all EU Member States should adopt national adaptation strategies by 2017 (accompanied by regional and local strategies where possible), including consideration of cross-border issues. Second, the European Commission (EC) will promote adaptation actions in cities by launching an initiative based on the Covenant of Majors framework. Third, the European Commission will build on the Climate-ADAPT platform and develop it further as the “one-stop-shop” for adaptation related information in Europe and by addressing knowledge gaps for example via Horizon 2020<sup>7</sup>. Furthermore, the EC will further mainstream adaptation into EU policy and EU funded projects notably through different guidance documents, which have been prepared together with the strategy package and by launching an initiative with European standardisation organisations. The Commissioner highlighted that the draft Multi-annual Financial Framework (MFF) for 2014-2020 includes a proposal for increasing climate-related expenditure to at least 20% of the EU budget (referring to both climate change mitigation and adaptation). Horizon 2020, the relevant structural funds and the LIFE+ programme will be significant components.

“Get the strategies in place at all levels, by using and sharing our available knowledge and act at all levels.”

*Connie Hedegaard, European Commissioner,  
DG Climate Action*

<sup>6</sup> <http://climate-adapt.eea.europa.eu/>

<sup>7</sup> [http://ec.europa.eu/research/horizon2020/index\\_en.cfm](http://ec.europa.eu/research/horizon2020/index_en.cfm)



## 4. High-level roundtable on approaches to adaptation to climate change

Panel discussion moderated by Jacki DAVIS

### On the Panel:

|                         |  |
|-------------------------|--|
| <b>Connie HEDEGAARD</b> | European Commissioner, DG Climate Action         |
| <b>Ville NIINISTÖ</b>   | Minister of Environment, Finland                 |
| <b>Matthias GROOTE</b>  | Chair Environment Committee, European Parliament |
| <b>Noel CASSERLY</b>    | Irish Presidency of the Council of the EU        |

### 3 main key outcomes:

- The EU adaptation strategy is very timely. Many challenges are cross-border, thus more collaboration and cooperation is needed and in this respect the EU plays a vital role.
- Financing is one of the key elements identified as well as mainstreaming of adaptation into existing policies and instruments at all levels in order to avoid costs in the long-term.
- We need to integrate available knowledge on adaptation into our planning practices and decision processes.

### Statements from the panellists

The Finnish Minister of Environment, **Ville Niinistö**, highlighted that adaptation is even more challenging than cutting emissions, since climate change impacts affect all levels of our society and economy: ***We need to take into account adaptation to a changing climate in everything we do.***

The Minister pointed out that the EU Adaptation Strategy is very timely and vital as many challenges are cross-border (e.g. waterways, water patterns, forest fires) and thus, effective cross-border management of these resources are required. For example, the Arctic Sea area is changing even more than in other areas of the world. This is affecting our weather systems in a very diverse and difficult way. Mr. Niinistö emphasised that EU funding like the Common Agricultural Policy, Common Fisheries Policy, Cohesion and Structural funds are central to pursuing climate action.



**“Climate proofing of funding is really important. Participation and information of people at all levels is needed as adaptation is a matter of democracy.”**

*Ville Niinistö, Minister of Environment, Finland*



The Chair of the Environment Committee of the European Parliament, MEP **Matthias Groote**, highlighted that progress is sometimes slow and that this is also the case for adaptation measures. Reducing emissions is rather simple, but to get adaptation into the heads of local actors is a challenge. For example, looking at building and construction, adaptation needs to be integrated into planning procedures, which is currently not the case. Mr. Groote considers financing as a priority of the EU adaptation strategy.

***When we look at climate change, the braking distance is more than 20 to 25 years, even when we stop emissions today.*** This is dangerous combined with the low number of adaptation measures taken at Member States level. We also need to coordinate better with the finance sector and other private sector actors like insurers.



“My priority is financing, because at the end of the day, we need lots of money to implement the strategy and make them a reality in a smart approach. We also need certain financial sources to actually finance adaptation.”

*Matthias Groote, Chair Environment Committee, European Parliament of the EU*

The representative of the Irish Presidency of the Council of the EU, **Noel Casserly**, pointed out that adaptation is a key challenge along with mitigation and action is needed at all levels of governance and throughout society. ***The EU Adaptation Strategy is a highly important policy initiative and will give leadership, direction and guidance to Member States as well as complement action at national, regional and local level.*** Mr. Casserly is convinced that the strategy will stimulate further adaptive actions at a range of different levels and scales. The focus of mainstreaming into existing instruments and policies is seen as very important by Mr. Casserly as well as addressing the interconnections and relationships between policies and sectors. The diversity of risks underlines the need for this broad approach and the EU Adaptation Strategy will provide an overarching framework to enhance an integrated and multi-level governance approach to promoting climate adaptation.



“All EU actions are important, since they are interlinked and aim for a climate resilient Europe; it is very important to see more resilient infrastructure given that it underpins the long-term and socio and economic wellbeing of Member States.”

*Noel Casserly, Irish Presidency of the Council of the EU*

## Key issues of the panel discussion

- Developing and adopting strategies shows a clear recognition of the importance to take action on adaptation.
- If a framework is established at the highest level, others will follow.
- It will be important to identify the right actors for actions acknowledging different decision making levels.
- Adaptation must be placed at the level where it can best be dealt with.
- Decision making on adaptation shall build on existing knowledge and experiences as well as on scientific evidence.
- The EU is well placed to support adaptation activities at various levels by framing the broader landscape, addressing the cross-border perspective and providing easy access to information (Climate-ADAPT).

## Discussion with audience

### Vulnerability of European cities to flooding

To protect European cities located at the waterfront from flooding, investments in hard infrastructure or providing flood plains in the surrounding area are potential options. Both options can potentially cause a conflict of interests between upstream and downstream areas thus aiming for an integrated flood risk management approach.

- The EU only comes into play, when looking at river management across borders, otherwise there are clear limits for EU activity and flexibility and cooperation is needed among all affected stakeholders at regional and local levels.
- Interlinkages of all levels and sectors are necessary to ensure a holistic approach to adaptation.
- Ecosystem approaches should be promoted.
- Early movers on adaptation have the advantage of identifying opportunities through proactive action.
- There is a need for strategies with both a horizontal and a vertical perspective, keeping it flexible to allow for changing circumstances of systems (e.g. challenges with erosion and agriculture) and constantly include scientific knowledge on flooding as well as integrating stakeholders from different levels.

### Ensuring the implementation of EU strategies and evaluating success

It will be necessary to monitor and evaluate how the EU Adaptation Strategy – as not being legally binding - is being implemented at all concerned governance levels both in terms of timing and content.

- Mainstreaming climate change adaptation into sectoral EU policies will remain an important element to secure implementation efforts. Adaptation is already reflected in several EU Directives with clear obligations for implementation at Member States level.
- Currently adaptation strategies are loose commitments. Financial incentives can steer actions in the right direction.
- Certain barriers like lack of knowledge or financial resources that hinder adaptation strategies still exist and need to be recognised.

- Reporting requirements on adaptation for Member States have been integrated in the Monitoring and Reporting Regulation (MRR).
- The EU Adaptation Strategy states that by 2014 the Commission will develop an adaptation preparedness scoreboard, identifying key indicators for measuring Member States' level of readiness.

#### Ensuring coherence in mainstreaming and how obstacles can be addressed

- Different funding sources available should be used in a coherent way, for example linking adaptation with disaster risk reduction and prevention. Currently a number of EU instruments are under negotiation and the EC will aim for at least 20% of the total budget to be earmarked for climate change from 2014 onwards. The EC has a key role to play in integrating adaptation into the EU budget.
- Engaging all affected stakeholders, communicating challenges and opportunities and facilitating participation will be key for successful mainstreaming.
- Forward looking planning and long term thinking is essential, applying the precautionary principle and using our knowledge.
- Adaptation must be reflected at all public governance levels underlining the importance to take adaptation into account in planning practices. EU action on mainstreaming can be a further driver for regional and local action. The role of the national level is to support this activity and provide knowledge (e.g. indicators) to enable action.

#### Involvement of young people

- Integrating climate change adaptation into planning and investment decisions can also provide new job opportunities being particularly positive for the young generation.

## 5. Parallel session I: Impacts of climate change and adaptation action

Climate change impacts are already obvious across Europe and they are projected to increase in future. The **aim of the session** was to discuss the current state of play in policy and practise when dealing with climate change impacts. Furthermore, the goal was to identify existing knowledge gaps in order to be able to deliver effective response.

Moderator: **Jacki DAVIS**

Rapporteur: **André JOL, Environment Agency Europe (EEA)**

### On the Panel:

**Kristalina GEORGIEVA** European Commissioner, DG for Humanitarian Aid & Civil Protection

**Jacqueline McGLADE** Executive Director, Environment Agency Europe (EEA)

**Dominique RISTORI** Director General, Joint Research Centre (JRC)

### 3 main key outcomes:

- We have enough information on climate change impacts on the table which argues that adaptation is necessary. Nevertheless, better risk assessments are still needed across all governance levels by using precautionary science.
- Adaptation is complex and requires multi-disciplinary actions and should take into account trans-national aspects. It takes ownerships across governance, businesses, and the public.
- Recent events should be addressed first but nevertheless, a comprehensive overview on future impacts and an integrated approach should be followed in the long run. The call is to make adaptation everybody's business by strongly involving all affected people.

### Statements from the panellists

The EU Commissioner for Humanitarian Aid & Civil Protection (DG ECHO), **Kristalina Georgieva**, highlighted in her opening remarks that climate change impacts in the EU are already today affecting our society negatively. Ms. Georgieva brought the example that in the last 10 years more than 80.000 excess deaths have been documented in the EU, mainly due to heat waves. Future climate change will increase the frequency and magnitude of weather extremes and bring new risks with dramatic consequences for the poorest people in Europe and worldwide. The Commissioner pointed out that past events have already led to a mind-set change which is being reflected in legislative terms at the EU level.

***The launch of the EU Adaptation Strategy is a good example which shows this mind-set change.*** One further example is the Civil Protection legislation, which moved the focus from response towards preparedness and prevention. Ms. Georgieva emphasised the need to join forces in disaster risk reduction and climate change adaptation in order to reduce the negative impacts and make use of benefits and synergies.



“We will not win the fight against poverty and hunger and the fight for security for all, including us in Europe, if we miss on this biggest crisis our generation faces – the climate crisis.”

*Commissioner Georgieva, DG ECHO*

The Executive Director of the EEA, **Jacqueline McGlade**, started her remarks with pointing out that we cannot afford not to act on climate change impacts, also in financial terms as for example, each Euro spent on flood defence can save six Euros in damage costs. She **highlighted that we have already enough information to base our adaptation decisions on and tools which can help us.**

Many adaptation examples in various sectors such as transport or agriculture as well as adaptation solutions and lessons learned have been documented and are easily accessible, for example in the new EEA report on Adaptation in Europe<sup>8</sup>, released on the day of the launch event. Nevertheless, Ms. McGlade also pointed out the lack of individual actions across Europe and thus the need to motivate people and get communities on board for integrated action on climate change adaptation. The EU Adaptation Strategy can support local and regional actors by making knowledge available and bringing together different communities of practice.



“Adaptation also requires behavioural and societal change. Our biggest challenge ahead is cooperation. We need to work together with people we do not know and do not necessarily like.”

*Jacqueline McGlade, EEA Executive Director*

<sup>8</sup> <http://www.eea.europa.eu/publications/adaptation-in-europe>

The Director General of JRC, **Dominique Ristori**, highlighted in his opening remark the need for global solutions as Greenhouse gas emissions worldwide are still increasing while they are decreasing in the EU.

In addition, he called for better evidence on climate change in current and future situations (including irreversible changes) as well as improved knowledge on adequate adaptation actions and related costs. ***From a scientific point of view, systematic responses and integrated approaches are required which take the local/regional context into account.***



“Bridging the knowledge gap will require new partnerships between scientists and policy makers across the world. It will be important to include in this context all key players such as businesses as well as representatives from civil society.”

*Dominique Ristori, JRC Director General*

## Discussion with audience

### Need for continuous monitoring

Given the inherent uncertainties in future climate projections it will be important to identify appropriate indicators to monitor climate change impacts and responses.

- The EU Adaptation Strategy mentions the development of a scoreboard for monitoring Member States' preparedness by 2014
- Environmental monitoring needs to be continued. The EEA has identified more than 50 indicators that assess climate change impacts. However, new indicators are needed to assess future societal inequities (e.g. access to water/food) related to climate change. Furthermore, there is a need for indicators to recognise early signals of climate change.
- It is important to better know the key risks facing a country/region to take preventive action and subsequently monitor the situation.
- Monitoring needs integral data management worldwide.

### Trans-boundary aspects and the international dimension

Spill-over effects from other countries outside the EU will also need to be tackled. For trans-boundary aspects coordination systems are necessary at regional and local levels:

- Trans-boundary aspects are highlighted in the EU Adaptation Strategy as important and that the EU has experience in dealing with such aspects. For example, the JRC is now developing scientific support for the Danube Strategy with 14 countries participating. This could be a model on how to successfully work on trans-boundary issues to be transferred to other European countries and worldwide.
- If we concentrate on taking an ecosystem approach, trans-boundary issues are automatically included.

#### Dealing with climate-induced migration

- Development work can only succeed when it fully integrates disaster risk reduction and climate change adaptation. The EU development commitment for the next 7 years dedicates a substantial share of the budget to climate change actions, mainly adaptation. This will hopefully support people in a way that they find better living conditions in their home countries and therefore prevent human displacement due to climate change.

#### Reflections from interviewed participants

**“Awareness raising needs to be based on biophysical evidence from a reliable source and the EU Adaptation Strategy is a clear signal, which will support adaptation efforts. The science-policy communication is essential and necessary, but there is still lack of access to knowledge and knowledge about science - Climate-ADAPT helps as a first step, but more efforts are needed like overcoming language barriers.”**

*Mariia Khovanskaia (Regional Environmental Center for Central and Eastern Europe)*

**“Although health issues are briefly presented in the EU Adaptation Strategy, the accompanying Staff Working Document on health provides a more thorough picture and is in coherence with WHO policy proposals. The proper inclusion of health in national adaptation strategies and action plans is important to protect European populations. Guidance has been developed by WHO to support Member States including good examples within the EU and its neighbours that can be shared. Cross-border health threats will be a challenge and the key to long-term and sustainable success is a strong and coherent leadership of all EU countries in collaboration with WHO, the EC and collaborating agencies in the environment and health arena.”**

*James Creswick (World Health Organisation, Regional Office for Europe)*

## 6. Parallel session II: Contribution of cities to a climate resilient Europe

One of the priorities of the EU Adaptation Strategy is to promote the '**climate resilience of cities**'. Based on the model of the Covenant of Mayors initiative, a voluntary commitment to adopt local adaptation strategies and awareness-raising activities will be launched. Cities will be given a central role to enhance the resilience of the EU to the adverse impacts of climate change. The **aim of the session** was to highlight priorities and next steps for supporting cities in adaptation efforts and thus increase a climate resilient Europe.

Moderator: **Humberto Delgado Rosa, Director, DG Climate Action**

Rapporteur: **Paul BEVAN, Secretary General EURO CITIES**

### On the Panel:

**Walter DEFFAA**

**Wolfgang TEUBNER**

**Lari Pitkä-KANGAS**

**Evelyne HUYTEBROECK**

Director General, DG Regional and Urban Policy (DG REGIO)

Regional Director, European Secretariat of ICLEI, Local Governments for Sustainability

Deputy Mayor, City of Malmö, Sweden

Minister for the Environment, Energy, Urban Renewal and Welfare, Brussels Capital Region, Belgium

### 3 main key outcomes:

- We need to engage the cities which are the driving force for adaptation to climate change via the Covenant of Mayors, supporting the closure of knowledge gaps, encouraging leadership and strengthening coordination and collaboration.
- We need to assist cities in the field of knowledge and good practice exchange, provide financial support to take sound measures on the regional and local level and involve citizen to ensure acceptance.
- We need to develop urban adaptation strategies in a comprehensive way, taking a holistic, integrative and ecosystem approach to ensure a strategic response.

The chair, **Humberto Delgado Rosa**, Director at DG Climate Action, highlighted in his opening remarks that European cities have a huge relevance for adaptation as over 70% of European citizens live in urban areas. One aim of the EU adaptation strategy is to make Europe resilient and especially its cities. On one hand, changing conditions and standards for urban infrastructure are aspects of relevance for cities. On the other hand, the initiative based on the model of the Covenant of Mayors is a very important activity to support local adaptation strategies and raise awareness. This will be based on the experience made with the Commission's "EU cities adapt" project (2011-2013).





## Statements from the panellists

**Wolfgang Teubner**, Regional Director, ICLEI European Secretariat, briefly summarised the achievements of the “EU Cities Adapt” project<sup>9</sup>. The project supports European cities in developing and implementing local adaptation strategies. 21 cities, clustered by their specific challenges, had been chosen to participate in adaptation training for sharing and exchanging their knowledge and experiences. The project promotes a strategic and proactive adaptation approach (instead of reacting to recent experiences).

Thus, adaptation needs to be integrated into future plans and measures (e.g. spatial planning, infrastructure development and management and construction) so that money is spent more wisely. ***Guidance on adaptation for cities with the aim of following a structured and integrated adaptation approach could be supported at European level.*** Cities are often lacking adequate climate data and future projections at the appropriate level, which is a key challenge for cities to adapt. This is partly tackled by Climate-ADAPT, but substantial gaps still exist.



“We need to close the knowledge gaps related to hazards, impacts and vulnerability, adaptation process and strategy development and mainstreaming adaptation. We need to create bottom-up demand and top-down support and thus spend our money available differently.”

*Wolfgang Teubner, Regional Director, ICLEI European Secretariat*

The Deputy Mayor of the City of Malmö, **Lari Pitkä-Kangas** reflected on lessons learned from Malmö and Copenhagen. The Adaptation Strategy for Malmö was developed with the aim to manage a broad spectrum of issues directly and indirectly related to climate change and adaptation. The Mayor highlighted that the strategy was developed by following a holistic approach to tackle diverse challenges, making it easier to get acceptance by public opinion and stakeholders. ***The experiences showed that focussing on the enhancement of the quality of life and on sustainable city development*** in general terms increased the willingness to implement adaptation measures suggested in the strategy, such as greening of the city and sustainable water management.

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<sup>9</sup> <http://eucities-adapt.eu/cms/>

Mr. Pitkä-Kangas pointed out that we cannot cope with climate change impacts by using technological measures alone, thus we need both, society and ecology to be fighting on our side. In the city of Malmö, the focus in the adaptation process was on coordination between different bodies and on financing and involving stakeholders.



“The EU should look how the public goods of CAP can be transformed to helping out towards adaptation. It is not about technology, but about ecosystem services and we need to restore our stolen nature.”

*Lari Pitkä-Kangas, Deputy Mayor, City of Malmö*

**Evelyne Huytebroeck**, Brussels-Capital Region’s Minister for the Environment, Energy, Urban Renewal and Welfare, pointed out that initiatives are needed now to avoid higher costs in the future. ***It is important that the EU provides the frame, coordination and financial support to cities.*** In Brussels, for example, floods over the summer of last year made the problem more visible than before. The impacts in Brussels affect different policy areas within the city, from water to the city’s forest (biodiversity changes and pests) to public health issues. Recently the Brussels code (COBRACE – Code of Brussels for Air, the Climate and Energy Control), a mandatory regulatory document has been adopted that looks at energy performance, transport and climate, especially when it comes to construction. As part of the action proposed in this document, a climate fund was established. More support from the EU is needed and cities shall even get more importance at the EU level to ensure better adapted cities in Europe.



“We need to look at cross-regional and cross-border activities, no matter, if it is water, biodiversity or others in an integrated approach.”

*Evelyne Huytebroeck, Brussels-Capitals Region’s Minister for the Environment, Energy, Urban Renewal and Welfare*

The Director General for Regional and Urban Policy of the European Commission, **Walter Deffaa**, highlighted that ***the EU Adaptation Strategy comes at the right moment, because we are in the middle of preparing the European Structural and Investment Funds***. Funds will be spent on 11 thematic objectives and one of them is on promoting climate change adaptation, risk management and prevention. Cities are very important and will play an important role in the future. Already now, in the period 2007-2013 around 6 billion EURO was spent on cities. Mr. Deffaa pointed out that the EC can additionally provide a governance framework, as rich experiences with multilevel governance has been gained within the Cohesion and Regional Policy. Dealing with different policy levels at a space based approach, stakeholder involvement from regional and municipal level are in the “genes” of this policy area, which are well tailored to dealing with climate change adaptation.

The Director General highlighted a number of success factors for adaptation strategies: a solid knowledge base and risk assessment; following a holistic, cross-cutting and integrated approach and strong leadership and ownership. Mr. Deffaa is convinced that adaptation will only be successful, when stakeholders and the public take ownership of the strategy itself. In addition, cross-border, macro-regional and transnational adaptation actions are needed as the threats of climate change do not stop at borders. One good example is the Balt-Adapt network. Another example successfully showing knowledge sharing and exchange of good practices was the Grabs project (which focussed on green and blue space – adaptation for urban areas and eco towns). The project received an “Oscar” for regional policy projects and innovative approaches to adaptation.



“We need to mobilise all the cities and every city shall develop an adaptation strategy and take ownership. There is a lot of inspiration around from EU wide good practice and there is a lot of support also in terms of finance that is provided at EU level.”

*Walter Deffaa, Director General of DG REGIO*

## Discussion with audience

### Outcome of the “EU Cities Adapt” project

- Results are already very useful for issues like knowledge sharing and exchange of good practices between areas.
- Tools that support cities, in particular also dealing with conflicts between cities and surrounding regions are very welcome.
- Even though the knowledge basis is often sufficient, political leadership to take decisions is lacking.
- It is needed to anchor adaptation in city authority thinking and planning.

### EC support to a city learning process

- EU Adaptation Strategy focusses on exchange and knowledge sharing in cities within Europe mainly, but exchange beyond EU borders is of course welcome.
- Knowledge management is very important for further mainstreaming and rolling out the strategy.
- Instruments and funding provided by the EU should be used by cities to address adaptation, including for knowledge sharing or transnational cooperation. Cohesion policy or LIFE+ offer good possibilities for doing so.
- At the upcoming Resilient Cities Conference 2013 in Bonn, one day ("European Day", 3 June 2013)<sup>10</sup> will be dedicated to knowledge sharing inside of Europe based on experiences and lessons learned from the EU Cities Adapt project.

### The role of young people in the context of the EU Adaptation Strategy and cities

- Young people need to be engaged, especially when it comes to green infrastructure. Also, the LIFE+ instrument can be used for awareness raising of young urban citizen.
- Taking the example of Brussels, new platforms like green community centres were created by the industry and the city for jobs like sustainable construction, water, waste.
- In addition, young people's governments for water and now for environment were established.

### Water boards and the role of industry

- Water boards are clearly key stakeholders to trigger and motivate adaptation. However, a broader perspective is needed, where support from the EU and national level for city efforts like multilevel governance and monitoring is necessary.
- Making infrastructure in urban areas more resilient to climate change can be approached by reviewing building standards and giving guidance for project developers.
- Insurance can benefit from experiences in industry.

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<sup>10</sup> <http://resilient-cities.iclei.org/bonn2013/open-european-day/>

## Reflections from interviewed participants

*“The Covenant of Mayors initiative for adaptation – as foreseen in the EU Adaptation Strategy – is promising as it will provide a framework for action and facilitate a network of partners. This could be particularly valuable for localities that require additional support in moving forward their adaptation journey.”*

*Jon Clubb (Climate Change Coordinator, Local Government Yorkshire and Humber)*

*“It is very positive that the EU Adaptation Strategy identifies the better access to information and knowledge sharing as key priorities. This is indeed a good way to support municipalities and regions in taking action in the field of climate adaptation. The cross-border dimension and the integration between mitigation and adaptation policies are two relevant issues to take particularly into account.”*

*Marie Bullet (Council of European Municipalities and Regions)*

*“A Position Paper on Adaptation to Climate Change that gives recommendations on Measures to be taken by and for cities has been developed and goes in line with EU Adaptation Strategy efforts. We need to ensure a holistic approach to the planning of climate change adaptation measure that takes into account all aspects of city planning and cross-cutting issues, a coordinator should be appointed for these tasks in each city.”*

*Florian Schilling (German Association of Cities)*

## 7. Parallel session III: Mainstreaming adaptation

One of the priorities of the EU Adaptation Strategy is '**mainstreaming**' by integrating adaptation measures into EU policies and programmes to enhance the resilience of the European Union to the adverse impacts of climate change. The **aim of the session** was to highlight priorities and next steps for mainstreaming by examples from important policy fields, vulnerable regions and the financing sector.

Moderator: **Jos Delbeke, Director General DG Climate Action**

Rapporteur: **Tomasz Chruszczow, Head of Polish Delegation to the international negotiations of climate change related issues**

### On the Panel:

**Janez POTOČNIK**

European Commissioner, DG Environment

**Jerzy PLEWA**

Director General, DG Agriculture

**Marco ONIDA**

Secretary General, Alpine Convention

**Matthew ARNDT**

Head of Environment, Climate and Social office, European Investment Bank

### 3 main key outcomes:

- At EU level, mainstreaming adaptation into various policy areas, e.g. policies related to agriculture, water, environment or disaster risk reduction, are high on the agenda. In a number of EU policies, adaptation relevant aspects have already been integrated; others will be “climate-proofed” in the course of revision.
- Many policies share common goals and go hand in hand with adaptation principles. There is a clear need to emphasize these synergies and make use of them.
- Mainstreaming adaptation does not stop at policy level but should become a part of our day-to-day activities and decision-making processes. One example is the European Investment Bank which has integrated adaptation at various levels within the organisation.

### Statements from the panellists

The Director General for Agriculture of the European Commission, **Jerzy Plewa**, highlighted in his opening remarks that climate change impacts are already affecting the agricultural production across Europe and that policy makers at all decision making levels as well as farmers need to take these changes into account already today. Mr. Plewa is convinced that farmers can adapt to a changing climate by measures such as diversification of crop production or new technologies (e.g. improving irrigation practices). The current Common Agriculture Policy (CAP) already provides incentives and financial support which enable an environment for farmers to adapt to current climate change impacts.

In order to **tackle future changes of the climate, the development of the new CAP for 2014-2020 has adaptation high on the list of priorities**. Enhancing the resilience of farmers to cope with climate change is an explicit objective. One of the corner stone of the legal proposal for the new CAP is the “greening” which couples payment with the fulfilment of

environmental requirements. It accounts for 30% of the direct expenses. In addition, rural development policy will continue providing targeted support by a large range of adaptation actions involving i) building adaptive capacity for farmers (e.g. information, trainings), ii) supporting investments to cope with climate change impacts and iii) balancing preventive and coping solutions (e.g. risk management instruments). The Director General concluded that climate change puts a strong emphasis on the need for enhancing transdisciplinary (including local knowledge from farmers) agricultural research and innovations at the EU and national level.



**“Making European agriculture more climate friendly and climate resilient is not a choice, but a serious need and obligation. The proposal for the new CAP will help farmers to better deal with climate change impacts.”**

*Jerzy Plewa, Director General for Agriculture of the European Commission*

The Commissioner for Environment **Janez Potočnik**, stressed at the beginning of his remarks that climate change adaptation and environment policy need to go hand in hand. This is underlined by the fact that important ecosystems are already affected negatively by climate change and thus, enhanced resilience should be secured in both policy areas to make full use of synergies and co-benefits.

***Some of the most urgent environmental areas for climate change adaptation are water, marine and coastal areas, biodiversity, land and soil protection.*** For example, the Water Blueprint published in 2012 aims to safeguard water resources and proposes concrete measures to improve resilience to climate change. The second policy area mentioned by Mr Potočnik is dealing with coastal and marine areas as they are amongst the most vulnerable to climate change impacts. The Marine strategy framework directive as well as the proposal for the Maritime spatial planning and integrated coastal management seeks to promote ecosystem based approaches and strengthen the resilience of coastal and marine areas to climate change. Nature and biodiversity protection policies such as Natura 2000 play a key role to maintain and increase the resilience of ecosystems as a basis for adaptation. Another environmental policy field important for climate change adaptation, the Commissioner mentioned the land and soil policy. The recently published guidelines on best practice to limit, mitigate or compensate soil sealing highlights the role of open soil covered with vegetation in adapting to increasing temperatures.



“Climate change adaptation and environmental policies need to go hand in hand as these two policy fields share many synergies which should be best exploited.”

*Janez Potočnik, Commissioner for Environment*

The Secretary General of the Alpine Convention, **Marco Onida**, started his talk with placing emphasis on the fact that the recorded global warming in the Alpine area is higher than global average and thus, the consequences are already visible today and in some areas also threatening humans (e.g. landslides, retreat of glaciers).

The Alpine Convention works on a supra-national scale bringing eight countries<sup>11</sup> working together. Strong cooperation has been built in order to deal with the issue of natural hazards within the Alps. As the example of floods in autumn 2012 affecting Slovenia, Croatia and Austria has shown, cooperation took place, but could have been even better coordinated in order to limit the damage. Thus, the Alpine Convention has started to work towards integrated management plans and a Strategy for adaptation to climate change has been produced. Mr. Onida mentioned the key role research has in dealing with climate change and pointed out the ***need for better capitalisation of the results of the territorial cooperation projects co-funded by the EU.***



“The response to climate change is creating a sense of community. Working together is not only necessary but also beneficial as it can create new green jobs.”

*Marco Onida, Secretary General of the Alpine Convention*

**Matthew Arndt**, Head of Environment, Climate and Social office of the European Investment Bank (EIB), highlighted the ***EU Adaptation Strategy as a milestone for EU policy which is also of great importance for the EIB.*** In 2009 the EIB issued general statements on

<sup>11</sup> Eight states are part of the Alpine convention: Austria, Germany, France, Italy, Liechtenstein, Monaco, Slovenia and Switzerland. The EU is also a contracting party to the Alpine Convention.



environment principles and standards as an overarching guide to EIB's approach to the environment and climate. This includes a commitment that the bank will ensure that financed projects are climate resilience. However, operationalization of this commitment is still work in progress. Cooperation with other banks worldwide on this issue is crucial for the EIB.

Internally, the EIB has started to develop an approach on how to operationalize the mainstreaming questions on three levels: i) portfolio level: the bank's target is to finance at least 25 % of its activities in the climate action sphere (including mitigation and adaptation while adaptation comprises around 2 billion Euros per year); ii) sectoral lending policy; e.g. adaptation has been already mainstreamed into the transport and water lending policy, and is considered for potential future inclusion under the energy lending policy; iii) project level to ensure climate resilience. On the project level, the bank is trying to better understand what works in adaptation and thus collect good practice examples and provide feedback to organisations which are less advanced.



“We can base our next steps on the EU Adaptation Strategy as adaptation objectives are now clearly formulated. For the EIB, more prescriptive measures would be helpful in order to require adaptation measures from our clients.”

*Matthew Arndt, European Investment Bank*

## Discussion with audience

### Promoting sustainable production in the context of climate change adaptation

- The new proposal for the CAP 2014-2020 creates new opportunities for various types of agriculture, from organic farming to more intensive agricultural practice. Nevertheless, when increasing the productivity, farmers have to fulfil environmental requirements (cross-compliance). In this way, both can be ensured – meeting food demand and sustainable agriculture.

### Progress of soil policies

- Soil issues are necessary to be discussed and steered at the EU level and a related policy would be an important tool for soil prevention.

- Commissioner Potočník highlighted that DG ENV is continuously working on soil policy at EU level. Nevertheless, there are still a number of Member States who do not support the proposed Soil Directive.

### Reflections from interviewed participants

**“Mainstreaming into EU policies is very important. The effects of mainstreaming at EU level will have impacts for sectoral policies at national levels. We need to move on from knowledge to experiences sharing. In addition, more needs to be done with Climate-ADAPT to meet the one-stop-shop ambition. How to ensure that the knowledge developed is being used remains a challenging question.”**

*Rob Schoonman (Ministry of Infrastructure and the Environment, the Netherlands)*

**“Cross-border collaboration between regions is very important, especially when it comes to mountain areas. More coordination will help to identify needs and knowledge gaps. Efforts in Horizon 2020 will help to fill these gaps. Financing will be a key aspect, supporting capacity building via stakeholder involvement towards climate change adaptation. Guidance and tools will help stakeholder to take climate change aspects into account in decision making.”**

*Anne Sota Thomas (Working Community of the Pyrenees)*

## 8. Parallel session IV: Managing climate risks and financing adaptation

One of the priorities of the EU Adaptation Strategy is '**financing adaptation**' by improving access to funding, by activating private sector investment and by dealing with climate risks through insurance. These aspects constitute critical factors for building a more climate-resilient Europe. This session aimed at further discussing ways to manage climate risks, improve access to finance and links to the green paper on insurance in the context of natural and man-made disasters.

Moderator: **Jacki DAVIS**

Rapporteur: **Nancy Saich, European Investment Bank (EIB)**

### **On the Panel:**

|                        |   |
|------------------------|---|
| <b>Mario NAVA</b>      | Acting Director "Financial institutions", DG Internal Market            |
| <b>Helen MOUNTFORD</b> | Deputy Director, Environment Directorate, OECD                          |
| <b>Ernst RAUCH</b>     | Head Corporate Climate Centre, Climate & renewables, Munich RE          |
| <b>Craig DAVIES</b>    | Senior Manager, European Bank for Reconstruction and Development (EBRD) |

### **3 main key outcomes:**

- We need to increase the risk awareness via transparent information to citizens and make the risk coverage (insurance) affordable, thus sharing the burden of disasters.
- We need to integrate adaptation into long-term investments and regulations, but avoid overregulation to support businesses.
- We need to support SME's and create a business case and opportunities showing the role of businesses and engage them in the area of adaptation.

### **Statements from the panellists**

**Mario Nava**, Acting Director for "Financial institutions" in the Commission's department for the Internal Market, presented two papers from the European Commission which support adaptation: the Green Paper on the Insurance of Natural and Man-made Disaster<sup>12</sup> and the Green Paper on long-term financing of the European Economy<sup>13</sup>. Mr. Nava pointed out that investments need to be channelled towards the long-term, looking first into institutions like banks and insurances, second at the market (e.g. carbon bonds, securitisation), third at cross-cutting factors, which do influence long-term savings and investments (e.g. taxation and accounting rules, corporate governance) and fourth at finding market-ways to improve precaution.

<sup>12</sup> [http://ec.europa.eu/internal\\_market/consultations/2013/disasters-insurance/docs/green-paper\\_en.pdf](http://ec.europa.eu/internal_market/consultations/2013/disasters-insurance/docs/green-paper_en.pdf)

<sup>13</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0150:FIN:EN:PDF>

He highlighted that the ***Green paper on insurance of disasters highlights clear evidence of an increased probability of disasters occurring***. Mr. Nava stressed that there is underinsurance of those disasters in general. Due to climate change, the magnitude and frequency of disasters might increase and thus we need to enhance awareness for individual level action. Mr. Nava mentioned the product bundling idea, putting different risks together, including some element of partial coercion. He also pointed out the idea of a more granular risk analysis and more public-private partnerships. Mr. Nava ended with a famous quote from Benjamin Franklyn: “Better an ounce of prevention than a pound of cure”.



“We need to get private initiatives started, first through increasing the risk awareness and second, once the risk awareness is increased, through making risk coverage affordable via innovation, pulling and socialisation of risks.”

*Mario Nava, Acting Director "Financial institutions", DG Internal Market*

**Helen Mountford**, Deputy Director, Environment Directorate, OECD, highlighted recent work on the economics and financing of adaptation, and progress in OECD countries on national adaptation planning. The findings of the latest study showed that there has been enormous progress in developing national and sub-national adaptation strategies as well as action plans, but that financing remains a challenge. Ms. Mountford argued that ***adaptation needs to be integrated into existing planning, finance and investment decisions***, which is not always the case as yet. Ms. Mountford pointed out the challenge for governments to help encourage this and provided a number of possible solutions:

First there needs to be a sound business case. A crucial element of this is to correct existing distortions and inefficiencies (e.g. putting the right prices on resources use, for example agricultural water pricing), and to ensure that new developments take into account climate risks (e.g. stronger land use planning and building regulation). Ms. Mountford highlighted a 2011 OECD study on adaptation actions by businesses, which showed that adaptation was generally only implemented if low or no costs were involved or if there was a clear regulation to do so. This is in part because in many cases, the time-horizon of climate change impacts lies outside businesses` planning horizons. Second, Ms. Mountford pointed out the link to insurance schemes and the need to make sure that those send the right signals to households and businesses to take action. Third, she mentioned that government has a very important role to play in terms of providing information and performing research that helps the private sector to take the right decisions. She highlighted that governments should explain to businesses and households how they are affected by climate change and provide advice and guidance on adaptation measures they can take. Fourth, Ms. Mountford pointed out to the importance of integrating or mainstreaming adaptation action across different sectors. As a fifth step, she highlighted the need to build on progress in developing adaptation plans and quickly move to implementing those strategies.



“The as yet unanswered question is how to judge whether a strategy is successful or not? We have to develop evaluation and monitoring schemes to judge its success. Criteria should be used to measure on the one hand public adaptation efforts and on the other hand private adaptation actions.”

*Helen Mountford, Deputy Director, Environment Directorate, OECD*

**Ernst Rauch**, Head Corporate Climate Centre, Climate & Renewables, Munich RE, pointed out that we learned this morning about first technical measures and second regulatory measures. The third measure for dealing with potential risks is insurance. Insurance is a means of ex-ante financing with the goal to smoothing losses and damages over three dimensions: i) time, ii) different types of risks in order to have a portfolio with risks of different levels and different types of nature, and iii) over larger geographical scope, which means if one natural disaster affects a given region, than another region is helping to contribute and paying for losses in the affected area.

One of the pre-conditions for the ex-ante finance of the private sector is transferring diversified risks from individuals, commercial and industrial enterprises to a financial risk carrier. This leads to planning security for those who have to contribute by paying the premium and it also defines clear rules and gives incentives (lower premium) for those who have taken action to decrease their own individual vulnerability. Mr. Rauch summarised that at the end of the day, **insurance shall provide incentives to minimise risks**. The role of the public sector is in providing transparency by collecting hazard data (e.g. wind speeds, precipitation amounts, etc.) and making the data available to all stakeholders in this segment. Mr. Rauch is convinced that this would allow everybody to be informed about the hazards, ensures informed decisions and allows them to decide on whether to take or not take insurance. Insurance can also be a catalyst for new technological innovations and solutions, like in the example of renewable energy.



“The role of the public sector is to provide more information and transparency to the citizen. People rely on governments and expect support. By means of provided information the burden of disasters can be shared between the public and the insurance sector.”

*Ernst Rauch, Head Corporate Climate Centre, Climate & Renewables, Munich RE*

**Craig Davies**, Senior Manager, European Bank for Reconstruction and Development, pointed out the role of governments in adaptation, but made clear that due to the broad field of adaptation, governments' efforts need to be complemented by activities taken in the private sector. The public sector cannot meet all the costs related to adaptation, therefore private finance is needed. Mr. Davies is convinced that both the quantity and quality of finance is of importance. ***We need to have a business case in order to convince banks and private investors to put money forward for adaptation.*** Three items are needed to build this business case, namely better information for private enterprises, better regulation, and access to the right kind of finance.

Mr Davies highlighted that additional insurance as a risk management mechanism is needed. Large enterprises are in a better position to take action since they have more resources, R&D departments and capital. SMEs provide more than 50% of Europe's GDP and offer 50% of European jobs. Those kinds of enterprises often do not have the resources or expertise to respond to adaptation and we need to think about how to reach these businesses, how to support them and help them better understand the impacts of climate change. Consideration is needed about how EU resources can be blended with loan finance in an effective and targeted way, as many businesses do not see a full commercial case for adaptation. Mr. Davies also mentioned the need to consider the level of concessionality in our financing whether this goes via loan subsidies or co-financing to make loans more affordable for adaptation purposes and leading to a more commercially-minded approach in adaptation. He also highlighted that there are some areas where adaptation is a clear public good and therefore may merit public funding. Furthermore, he stressed the importance of taking action outside of the EU, in particular in the EU neighbouring regions with a view to trans-boundary effects such as climate change impacts on supply chains, food security, migration and on general security.



“A key question is how can the EU create incentives for businesses to take action on adaptation without adding to their regulatory burden. How can we encourage good cooperate governance for business resilience?”

*Craig Davies, Senior Manager, EBRD*

## Discussion with audience

### Ensuring coherent adaptation financing with available funds at EU level

- There are a range of different sources of funding, though it is not always easy to identify which ones are available to support adaptation and how to access these.
- It is not clear that there is a need for a specific big adaptation pot. In some cases, adaptation could be better integrated into existing funding sources.

- Some adaptation actions might be low or no cost, like building a road somewhere else than foreseen initially.
- Insurance shall increase the risk awareness and thus increase the granularity and undertake risk evaluation. We need to take a risk-based pricing approach in insurance, be aware of different geographical specificities and thus avoid a one-size fits all approach especially in the insurance sector.

#### Linkages between the public and private sector

- Especially with regards to natural disasters and catastrophic insurance collaboration between insurance companies and the public sector works well in Europe. Of high importance is access to data for proper analysis and sound decisions.
- Regulations or incentives for adaptation investments (e.g. building codes for housing, spatial planning instruments) are needed. The integration of climate change considerations into regulations and investment incentives is important to ensure long-term adaptation.
- An intelligent packaging of finance with technical support (like awareness raising, better innovation of data services to businesses, developing guidance for good adaptation projects, water audits, audits of climate risks to businesses) is necessary. Innovative thinking on how to make adaptation improvements affordable to businesses and enterprises will be required. Particular attention needs to be put to SMEs to facilitate support.

#### Reflections from interviewed participants

“The EU adaptation strategy is complementary to the work of EU Member States at the national level as it coordinates their actions and provides the necessary trans-boundary dimension which is needed when dealing with climate-related risks. It is essential to create the link between climate change adaptation and disaster risk reduction in a more explicit way. As identified in the actions proposed by the EU Adaptation Strategy we need to invest in prevention measures first of all by systematically collecting data and information on the economic impact of climate-related disasters such as floods, droughts and extreme temperatures. It is often the economic argument for adaptation and risk reduction which trigger the necessary political commitment to approach public portfolio planning with the wise lens of building sustainable resilient investments.”

*Paola Albrito (Head Regional Office for Europe, The United Nations Office for Disaster Risk Reduction)*

## 9. Closing session

The rapporteurs reported back from the four parallel sessions. Details on the four sessions can be found in the chapters 5-8 ([\*click on session of interest below to get to the respective chapter\*](#)):

- [Parallel session I: Impacts of climate change and adaptation action](#) (cf. chapter 5)
- [Parallel session II: Contribution of cities to a climate resilient Europe](#) (cf. chapter 6)
- [Parallel session III: Mainstreaming adaptation](#) (cf. chapter 7)
- [Parallel session IV: Managing climate risks and financing adaptation](#) (cf. chapter 8)

### Closing remarks by Jos Delbeke, Director General, DG Climate Action

**Jos Delbeke**, Director General of DG Climate Action concluded the event by highlighting adaptation as an essential issue that will continue to move up the policy agenda in Europe over the coming years. The Director General stressed the importance of learning from each other, but also pointed out the need to close existing knowledge gaps. Implementing the actions outlined in the Strategy will bring the EU's preparedness for the current and future impacts of climate change up to a new level. Mr. Delbeke emphasised that combined efforts among the EU, Member States as well as regional and local actions are the key to successful adaptation.



“On the one hand we need grass-root activities and on the other hand top-down support activities that drive implementation. We all need to work together.”

*Jos Delbeke, Director General DG Climate Action*



