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**Why Adaptation Should Be a Priority for the Private Sector:**

**Perspectives for the PPCR**

**June 25, 2011; 10:30am-1:30pm**

**A G E N D A**

**10:30-10:40am: Introduction**

The moderator, ***Hans Schulz****, Manager, Inter-American Development Bank*, will introduce the session and its objectives.

**10:40-11:00am: Keynote address**

The keynote speaker, ***Celine Herweijer****, Director, Sustainability and Climate Change Team, Price Waterhouse Coopers*, will introduce the main questions concerning the role and participation of the private sector in climate resilience:

* *Is adaptation relevant to the private sector?*
* *Do private investments to cover long-term climate risk make sense?*

Ms. Herweijer will describe the main obstacles and challenges that the private sector faces when making decisions relating to the evaluation and management of climate risk. She will also refer to the implications that these obstacles and challenges have on limiting action on adaptation by the private sector.

**11:00-11:30am: Panel responses**

Panelists will provide a direct response to the keynote address.

***Panelists:***

* ***Patrick Karani****, Chief Executive, BEA International, Kenya*
* ***Amzad Khan Chowdhury****, Chairman, Pran Group, Bangladesh*
* ***Kepa Solaun****, Director, Factor CO2, Spain*
* ***Maurilio Xocua Méndez,***  *Representative, Organización Campesina Indígena de la Sierra de Zongolica, Mexico*
* ***Frank Fass-Metz****, Head of Division, Climate Policy and Climate Financing, BMZ, Germany*
* ***Vladimir Stenek****, Climate Change Specialist, Climate Business Group, International Finance Corporation*

**11:30am-12:00pm: Questions from the audience and panel responses**

The moderator will invite the audience to ask questions to the key note speaker and the panel.

**12:00-1:00pm: Group discussions**

Participants will break into 4 groups for focused discussions on the role that the private sector plays in adaptation, and to examine opportunities that the PPCR offers to that end. These groups will be invited to address a set of questions, each group from a different perspective: (a) the private sector, (b) government, (c) NGOs and the civil society; and (d) MDBs and other financial institutions.

Groups will be invited to:

* Formulate their own position on the points raised by the key note speaker by considering whether:
	+ The private sector can “make business” out of climate resilience, and how
	+ This “making business” can be conducive to a country’s climate resilient development
* Propose innovative ways in which the PPCR and, where relevant, other CIF programs, could be used to overcome challenges and barriers for the participation of the private sector in adaptation.

**1:00-1:30pm: Wrap-up and key messages**

Rapporteurs will provide a five minute summary of the group discussions. The moderator will invite other participants to comment or ask questions. At the end of the session, the keynote speaker will reflect briefly on the discussions.

**S E S S I O N B A C K G R O U N D**

**Objectives**

This session will provide an opportunity for the broader CIF stakeholder community to discuss the benefits and opportunities for engaging the private sector in climate resilience activities through the PPCR. Stakeholders will discuss avenues for increased and effective participation by the private sector in the PPCR

**Background**

Active participation of the private sector in adaptation would be expected given the high exposure of a wide range of business to climate change and the potential effects on profit. In addition, the private sector can play a significant role as a user and supplier of goods and services for climate resilience, including financial products such as risk management tools, insurance and others.

However, a number of barriers prevent the private sector from considering climate resilience a worthwhile investment. Among these barriers, the most important include uncertainties and lack of information regarding future impacts; the long-term time horizon involved in vulnerability and adaptation analyses; the difficulties with valuating climate risks; and financial and economic barriers such as lack of access to credit or capital. Understanding and addressing these barriers is essential to engage the full potential of the private sector in climate resilience.

Initiatives to actively involve the private sector in adaptation planning and policy-making are complementing global efforts to combat climate change. The Pilot Program for Climate Resilience provides an opportunity to explore how public initiatives and funding could act as a catalyst for private sector adaptation.