ORRAA
Ocean Risk and Resilience Action Alliance

FINANCE UNEPINITIATIVE

Building resilience in the regions and communities most vulnerable to ocean risk through multisector collaboration

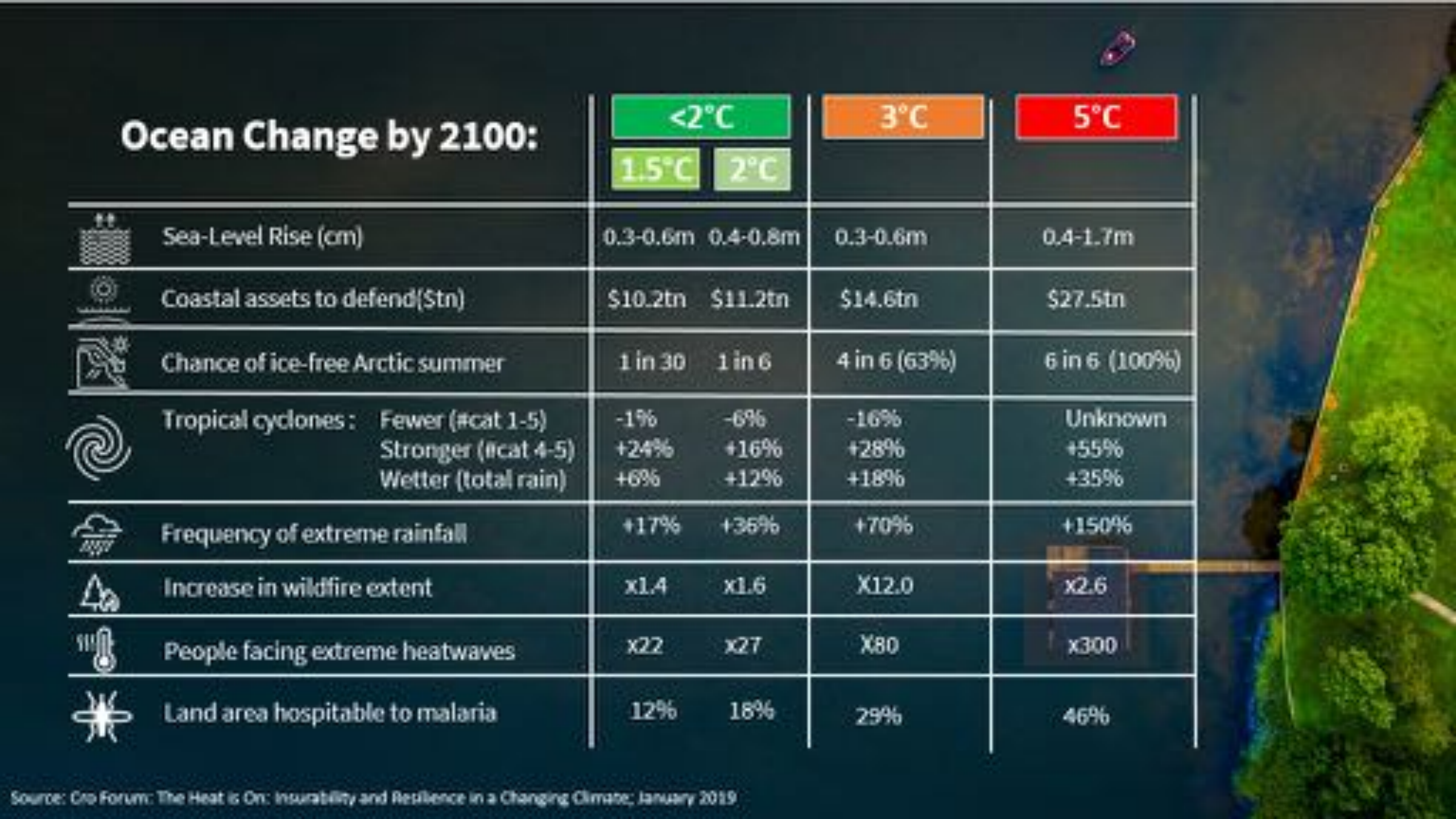


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9 June 2021

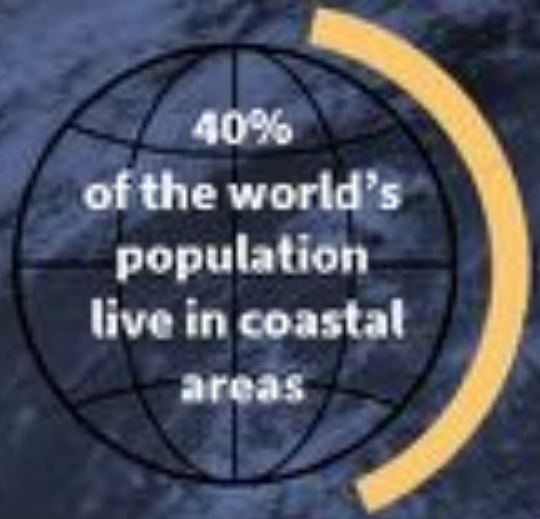


Ocean Change by 2100:

	<2°C		3°C	5°C
	1.5°C	2°C		
Sea-Level Rise (cm)	0.3-0.6m	0.4-0.8m	0.3-0.6m	0.4-1.7m
Coastal assets to defend($tn)	$10.2tn	$11.2tn	$14.6tn	$27.5tn
Chance of ice-free Arctic summer	1 in 30	1 in 6	4 in 6 (63%)	6 in 6 (100%)
Tropical cyclones : Fewer (#cat 1-5)	-1%	-6%	-16%	Unknown
Stronger (#cat 4-5)	+24%	+16%	+28%	+55%
Wetter (total rain)	+6%	+12%	+18%	+35%
Frequency of extreme rainfall	+17%	+36%	+70%	+150%
Increase in wildfire extent	x1.4	x1.6	X12.0	x2.6
People facing extreme heatwaves	x22	x27	X80	x300
Land area hospitable to malaria	12%	18%	29%	46%

Source: Cro Forum: The Heat is On: Insurability and Resilience in a Changing Climate; January 2019

Risk impacts population, poverty, payouts:



US$520 billion
loss in annual consumption from the impact of natural disasters, which force up to **26m people into poverty each year**
(World Bank)

US$300 billion paid out by insurers for coastal storm damage in the last 10 years. Dwarfed by amounts paid out by governments and taxpayers

US$360 billion would be saved over the next 15 years if just **US$6 billion** is invested in disaster risk management each year
(United Nations)

IPCC: Climate change and anthropogenic pressures require 'transformative changes' to restore and protect nature

Barriers to private investment in natural capital:

1. **Lack of understanding** of how investing in natural capital can provide a timely and productive return
2. **Limited pipeline** of risk adjusted investable projects to attract financing
3. **Insufficient data and modelling capabilities** for investors to quantify ocean-derived risk
4. Inadequate **enabling policies** to shift investment away from unsustainable infrastructure
5. Apparent need for **investment returns** to be available in a short time period





Mission

The Ocean Risk and Resilience Action Alliance is a multi-sector collaboration designed to drive investment into coastal natural capital by pioneering ground-breaking finance products that incentivise blended finance and private investment into the regions and communities that need it most.

Vision & Targets

By 2030, create a new marketplace by driving $500m of investment into innovative and scalable finance products that increase coastal resilience and reduce ocean risk for the most vulnerable communities around the world

By 2025, the Alliance will have surfaced at least 15 novel finance products forming the foundation of this new marketplace

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Pioneering **finance products to regenerate coastal natural capital and build resilience** in the most exposed and vulnerable regions and communities

Practice and Innovation

Build risk-adjusted scalable projects that deliver a return on investment while increasing resilience to ocean-derived risks

Science and Research

Accelerate research and use data to better understand, analyse, predict, model and manage ocean risk

Policy and Governance

Inform and advance ocean resilience policy, governance, private sector and public understanding

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Practice & Innovation

Blue carbon resilience credits

Aim: Develop tradable credits that value the combined carbon sequestration and coastal protection resilience benefits of coastal wetlands

Project Developer:	TNC
Initial Funder:	AXA XL
Risk Partner:	AXA XL
Location:	Belize & Caribbean
Time to scale:	4 years

Coral reef insurance

Aim: Scale parametric insurance products for coral reefs to fund maintenance and restoration efforts after tropical cyclone events

Project Developer:	MAR Fund /TNC
Initial Funder:	KfW, IDB
Risk Partner:	WTW
Location:	Worldwide
Time to scale:	3 years

Note: This is just a selection of examples. Further examples available on request

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Science and research

Coastal Risk Index

Aim: Create an index to determine costs to economies from loss of natural capital and identification of finance and policy options to minimise risks

Project Developer:	AXA XL
Initial Funder:	AXA XL
Risk Partner:	Various
Scaling Partners:	ORRAA
Science Partner:	Various
Location:	Worldwide
Time to scale:	2 years

Ocean Risk Gap Analysis & Synthesis report

Aim: To synthesise current research & data of most 'at risk' areas and communities in SIDS and LDCs and understanding the potential of the role of women in mitigating ocean risk

Project Developer:	Stockholm Resilience Centre
Initial Funder:	ORRAA
Location:	Worldwide
Time to scale:	1 year

New Ocean Risks report

Aim: Develop recommendations to lessen the impact of ocean risk to women and girls; identifying ways in which risks can be minimized or transformed

Project Developer:	Stockholm Resilience Centre
Initial Funder:	ORRAA
Location:	Worldwide
Time to scale:	1 year

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Indicative 3-5 year plan:

1. Drive pioneering research to pinpoint emerging areas of ocean risk – including impacts on women and girls
2. Surface at least 15 novel finance products as the foundation of a new marketplace and to further ORRAA's target of driving $500m into coastal natural capital by 2030
3. Accelerate five initial pilots to scale by working with the private sector, governments, MDBs, NGOs and other partners
4. Shape and mainstream nature-based solutions policy as a critical component of disaster risk management and climate adaptation
5. Register as an independent entity with a fully resourced and funded secretariat headed by an executive director



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For more information, please contact:
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Thank you

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