

26th Annual Meeting of the Greater Mekong Subregion (GMS)

Working Group on Environment (WGE)

26-28 October 2022

Bangkok, Thailand (Hybrid meeting – In-person and Virtual)

RECORD OF DISCUSSION

1. The members of the Working Group on Environment (WGE) from the Greater Mekong Subregion (GMS), namely, the Kingdom of Cambodia, the Lao People's Democratic Republic (Lao PDR), the Kingdom of Thailand, and the Socialist Republic of Viet Nam, met in person, and the People's Republic of China (PRC) and the Republic of the Union of Myanmar virtually on 26-28 October 2022 for the 26th Annual Meeting of the WGE (WGE AM-26). In support of the upcoming 27th Session of Conference of Parties to the United Nations Framework Convention on Climate Change (COP27) to be held in November 2022 in Sharm El-Sheikh, Egypt and Phase II of the 15th Meeting of Conference of Parties to the United Nations Convention on Biological Diversity (CBD COP15) to be held in December 2022 in Montreal, Canada, the GMS WGE meeting deliberated on challenges and opportunities to build climate and disaster resilience and strengthen biodiversity conservation through promoting climate smart landscape approaches in the GMS.
2. It was emphasized that the GMS countries remain highly vulnerable to impacts of climate change and such vulnerability is accelerating due to increasing urbanization and unsustainable resource management. The WGE noted that the GMS potential to address climate change and conserve biodiversity can be achieved by advancing subregional cooperation in mobilizing financial resources and building technical and institutional capacities in using digital and other advanced technologies. Each WGE representative summarized national strategies and actions to address climate change, and conserve biodiversity in a holistic manner. The WGE recognized common interest among the GMS countries to collaborate further in introducing innovative policy measures on adaptation and biodiversity conservation. The need for harnessing the collective wisdom and experience of the subregion in addressing transboundary issues of adaptation and biodiversity conservation was highlighted.
3. The WGE agreed on the need for establishing a subregion-wide multi-stakeholder partnership mechanism to enhance collaboration among stakeholders in mainstreaming climate change and disaster management considerations into development planning at national, subnational, and sectoral levels. As communities are on the front lines of the climate crisis with the least resources, WGE urged governments and the development partners to allocate more resources for community-based adaptation and disaster risk management. The WGE highlighted the need for recognizing and rewarding traditional knowledge of communities to cope with climate change and suggested that modern adaptation technologies should be effectively blended with traditional knowledge.
4. The WGE called for the adoption of holistic approaches to enhance climate and disaster resilience by integrating infrastructure- and nature-based solutions for adaptation. The WGE noted that climate crisis and nature crisis are closely interrelated, and the loss of natural capital exacerbates climate change vulnerability of both ecosystems and communities. The WGE

stressed the need for protecting natural capital and integrating nature-based solutions to effectively address climate and disaster resilience in the GMS.

5. The WGE underscored that adaptation financing needs in the GMS are huge and called for deploying inclusive and innovative climate and disaster risk financing instruments to catalyze effective participation of the private sector. The WGE highlighted that loss and damage from climate change impacts disproportionately affects vulnerable populations and advocated that COP27 should advance the discussions leading to establishment of a credible financial mechanism.
6. As the concept of “climate-smart biodiversity landscapes” is still unclear for many stakeholders in the GMS, the WGE called for holding policy dialogues and training workshops to build institutional and technical capacity on transboundary climate-smart landscape management. The WGE recognized the continuing loss of biodiversity and insufficient progress in achieving Aichi targets due to governance related challenges and called for promoting holistic and people-centric approaches for biodiversity conservation in transboundary landscapes.
7. Several WGE members stressed the need for effective tools for monitoring biodiversity. The WGE noted that digital solutions can provide new opportunities for conserving and monitoring biodiversity status and sought support from ADB and other development partners for piloting innovative digital technologies related to biodiversity conservation and monitoring. The need for incorporating sustainable livelihoods in biodiversity conservation was stressed.
8. The WGE members agreed that GMS countries are yet to employ natural capital accounting methods and innovative financing instruments for biodiversity conservation. They underscored the need for mainstreaming biodiversity considerations in fiscal policy planning and sectoral investments in agriculture, energy, transport, and urban development. The WGE appreciated ADB’s efforts to create a biodiversity finance hub in Bangkok and a natural capital laboratory and financing facility in Manila to mobilize finance for biodiversity conservation through innovative financing instruments and effective participation of the private sector.
9. The WGE confirmed five priorities for action under each theme to be pursued and sustained beyond the implementation period of technical assistance on GMS Climate Change and Environmental Sustainability Program.

A. Climate and Disaster Resilience

- i. Establish a GMS-wide multi-stakeholder partnership mechanism to accelerate mainstreaming of climate change adaptation and disaster resilience into development plans, programs, and projects
- ii. Accelerate efforts to promote community-based adaptation and disaster management by building on traditional knowledge of communities and blending modern technologies
- iii. Harness nature-based solutions and ecosystem-based adaptation to enhance resilience of both ecosystems and communities
- iv. Mobilize additional finance for adaptation through deploying innovative but locally appropriate financing instruments (e.g., adaptation credits, catastrophe bonds) with effective involvement of the private sector

- v. Advocate the establishment of an international financing mechanism on loss and damage from climate change impacts

B. Climate-Smart Transboundary Biodiversity Landscapes

- i. Promote holistic and people-centric approaches for biodiversity conservation, especially in transboundary regions
- ii. Strengthen institutional and technical capacities on transboundary climate-smart landscape management building on achievements of the previous phase in three transboundary landscapes
- iii. Mainstream biodiversity considerations in fiscal policy planning and sectoral investments
- iv. Deploy innovative digital technology solutions for effective monitoring and conservation of biodiversity
- v. Address financing gaps for biodiversity conservation by mobilizing additional finance through innovative financing instruments, including debt-for-nature swaps, biodiversity bonds, payment for ecosystem services, etc.

10. The WGE extended sincere appreciation to the financing partners of the GMS Climate Change and Environmental Sustainability Program: The Climate Investment Funds, and the Asian Development Bank. The WGE encouraged ADB and other development partners to continue to coordinate and support the program and strengthen shared commitment and partnership for a more integrated, prosperous, inclusive, resilient, and sustainable GMS.

11. The WGE expressed its appreciation to the Government of Thailand and its Ministry of Natural Resources and Environment for co-hosting the meeting.

12. The WGE also thanked the Government of Viet Nam and its Ministry of Natural Resources and Environment for agreeing to host the 27th Annual Meeting of the WGE.