

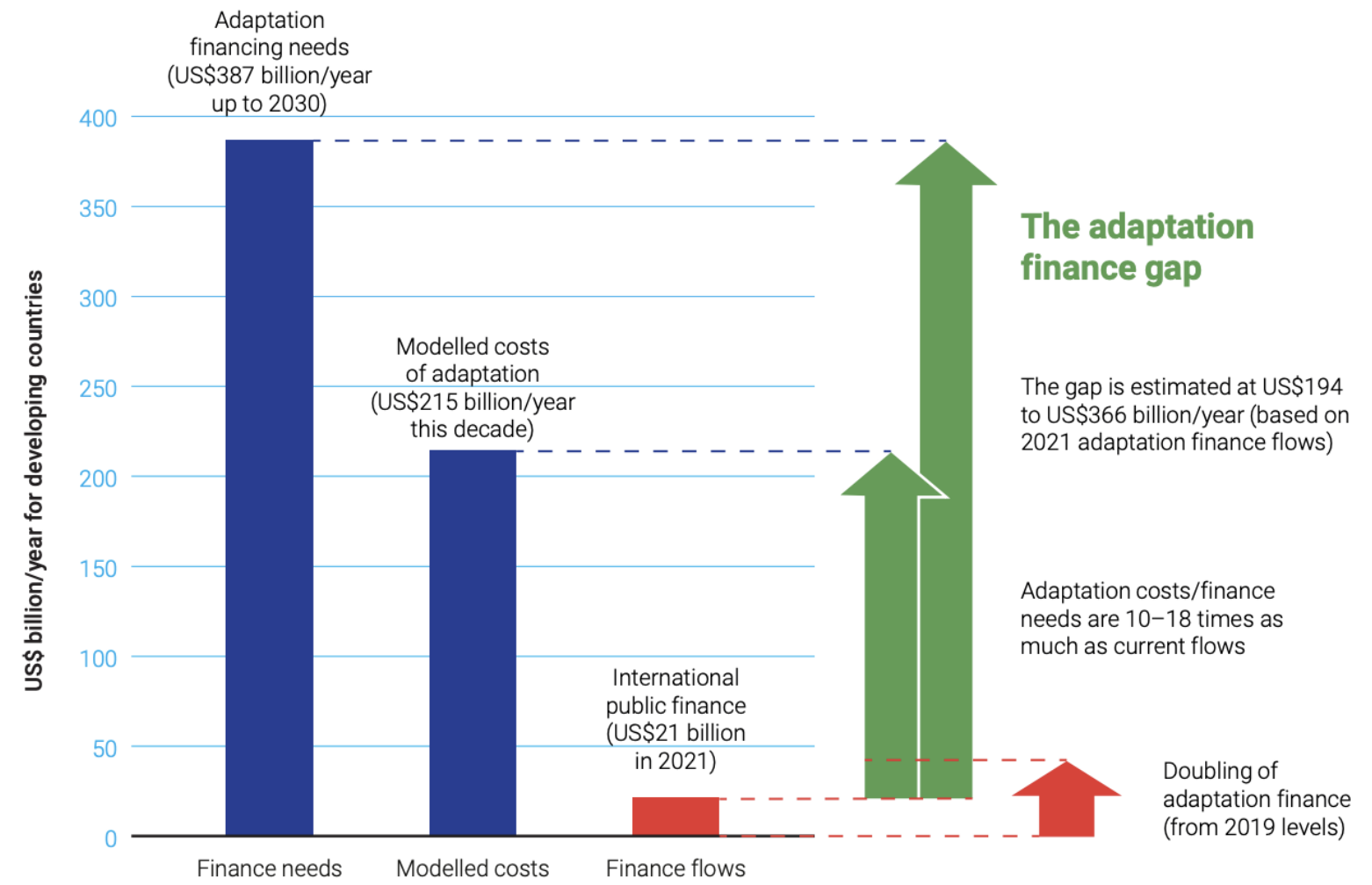


**EUROPEAN  
MICROFINANCE WEEK**  
connecting the inclusive finance world

# **Scale for Resilience**

## **Fostering Resilience to Climate Change in the Caribbean**

# UNEP ADAPTATION GAP REPORT 2023



*Note:* Values for needs and flows are for this decade, while international public finance flows are for 2021. Domestic and private finance flows are excluded.



# Scale for Resilience

NATURE BASED SOLUTIONS

Initiated by:

Alianza



Smart finance. People first.

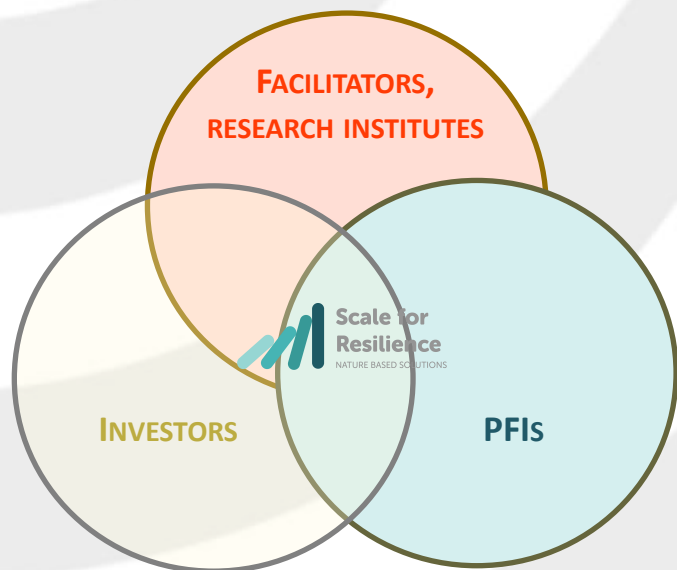




We provide access to adaptation finance for the most vulnerable.

Our members:





**KNOWLEDGE SHARING & TRANSFER**

**NETWORKING**

**VISIBILITY**

<b>PFIs:</b>	<b>9</b>
<b>PFI Networks:</b>	<b>3 (79 PFIs)</b>
<b>Investors:</b>	<b>1</b>
<b>Research organizations:</b>	<b>2</b>
<b>Facilitators:</b>	<b>1</b>

**Total loan portfolio:**

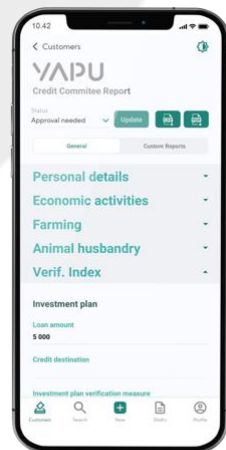
**USD 4.2 billion**

**Women addressed (average):**

**69%**



# DIGITAL DATA CAPTURING



**Climate risks**

**Taxonomy**

**Certification**



# TAXONOMY

## Nature-based Solutions | Context-specific | Gender-sensitive

Waste Management	Ecological kitchens
Agroforestry	Ceiling and wall insulation
Agroforestry	Electric ovens
Water Systems	Energy-Efficient Air-Conditioners
Power	Frequency Inverters for E-Engines
Buildings	EDGE & LEED-certified buildings
Water	Condensing boilers
Agroforestry for SF	Deep litter system for pig farms
Agroforestry	Rainwater collection & usage
Agroforestry	Water recovery systems for reuse
Agroforestry	Water-saving taps & showerheads
Agroforestry (land)	Water-Efficient Toilets
Agroforestry Storage	UTZ Certification
Agroforestry Photovoltaics	Fishing & Fisheries Certification
Agroforestry Cycles	Organic Fertiliser
Agroforestry Energy	Organic Agriculture
Agroforestry Efficiency	Seed storage
Agroforestry Filters	Retention Dams
Agroforestry Tractors	Crop Diversification
Agroforestry Dryer	Ecotourism



# IMPACT & REPORTING

## Automated reporting | Mainstreaming | Investor focused



### Global Adaptation Outcomes targets (O)

- O1.1:** Climate resilient agriculture - +17% in yields
- O1.3:** Alternative proteins - 15% of meat/seafood
- O1.4:** (Fruits, vegetables, seeds, nuts, legumes)\*1.5
- O2.2:** FI eliminating deforestation from portfolios
- O2.5:** Sustainable Irrigation Systems
- O3.1:** Finance for decent, safe Homes
- O7.1:** Physical Climate Risks for Decisions
- O7.2:** Climate Funds to Adaptation/ Resilience

### Sustainable Development Goals





# VISIBILITY & NETWORKING



## VIRTUAL CONFERENCE Resilience Finance Days

**May  
25–26  
2023**

Save the date

**Africa day:**  
May 25, 9:00 a.m. (CET)

**Latin America and  
Caribbean day:**  
May 26, 9:00a.m. (CST)

**Free Webinar  
Live translation**





# Women in Resilience Finance

Virtual Coffee chat (ENG/ESP)  
An inclusive and safe space for women only.



## Mentorship program

Female mid-level managers in inclusive financial institutions to champion resilience finance with a focus on women.

supported by:



## Implementation program

To flank WiRF Mentorship Program with concrete solutions.



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60% on your energy bill with a . . .



**SOLARPANEL**  
Loan

▶ Your average domestic electricity costs **\$45/kwh**.  
With **solar energy** the cost to you could be as  
low as **\$18/kwh**. Save on average **60%** on your  
electricity costs with the installation of **solar panels**.

Get a **Solar Panel Loan** today, and let us help  
you **Go Green**.



# Fostering Resilience To Climate Change

## The Case of COK Sodality Co-operative Credit Union Ltd, Jamaica



[www.cokcu.com](http://www.cokcu.com) | 876-960-4226





# Background

- ❑ COK Sodality Co-operative Credit Union Limited was established in 1967 and is located in Jamaica.
- ❑ COK's membership base is over 200,000 members and is one of the largest in the English-speaking Caribbean
- ❑ COK has five branches across Jamaica and employs approximately 220 employees. The CU provides financial services including Savings, Retirement Schemes, and Loans.
- ❑ The Credit Union's loan portfolio is over **J\$9B (USD 58M) and 0.72%** represents green loans provided for renewable energy in the form of Solar Systems and to purchase energy-efficient products.

## Background

- ❑ In 2018 COK Sodality bid and won the opportunity to receive technical assistance from the International Development Bank (IDB) approved Consultants with funding from the Multilateral Investment Fund (MIF), Nordic Development Fund (NDF), and Global Affairs Canada (GAC) through Project Specific Grants (PSGs) and local counterpart funds.
- ❑ At the time this was the eighteenth (18th) EcoMicro project, the second in Jamaica, and the third to be funded by Global Affairs Canada Green Finance for MSMEs and Low-Income Households.
- ❑ The project aimed at providing COK with the knowledge to finance Renewable Energy (RE) or Energy Efficient (EE) Technologies for **MSMEs and low-income households**.
- ❑ The project officially **commenced in 2019 and closed on February 28, 2023**.

# Project Milestones

- ❑ **Component 1:** Design & Implementation of Green Finance Products
- ❑ **Component 2:** **Analyzing the Vulnerability of COK's Loan Portfolio to Climate Change**
- ❑ **Component 3:** Reducing the Environmental Impact of the Finance Institution **(Institutional Greening)**
- ❑ **Component 4:** Knowledge Management and Communication



# COK's Green Finance Loans

- The Green Products launched during the Pilot were:-
  - Solar Panel Systems for Residential and Micro Small and Medium Enterprises (MSMEs)
  - Solar Energy Bundle for Low and Middle-Income Households to purchase energy-efficient products to become more resilient against Climate Threats.

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 Loan

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Save on your next energy bill. . . .

  
**SOLARENERGY**  
 Bundle Loan

▶ Borrow up to **\$500,000** and repay as low as **\$13,916** monthly.

▶ Upgrade to energy efficient appliances and help reduce greenhouse gas emissions, with a COK Solar Energy Bundle Loan. Let us help you **Go Green**.


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# COK's Green Finance Loans



*COK's own Institutional greening and reduction of Carbon Footprint*



*Beneficiary Greening reducing Carbon Footprint through Solar*

Loan Type/Category	Collateral
Solar Energy Bundle – Individual	No collateral required
Solar Panel Systems - Individuals	Residential Property Solar Panel System
Solar Panel System MSMEs	80% DBJ/CEF Partial Guarantee

- ❑ COK has formed strategic partnerships with over 10 solar system providers, insurance companies, and consultants.
- ❑ Reduce Rates for Female Borrowers

# Loan Disbursements To Date

## PROJECT PILOT TARGETS SET BY IDB

Pilot Phase	Dollar Target	Volume Target
Loan Target	US\$325,000 or JA\$48.8M	60
Loan Actual	US\$291,373 or JA\$43.7M	67
Project Achievement	90% of Target	112%
% of COK Portfolio in RE/EE Green Finance Products at Close of Project	0.48%	

## POST PILOT ACTUAL ACHIEVEMENT TO DATE

Post Pilot Phase	Dollar Target	Volume Target
Loan Actual	US\$419,306 or \$64.9M	88
Increase in Re/EE Green Finance Disbursement Post Pilot	18%	31%
% of COK Portfolio in RE/EE Green Finance Products at Current October 2023	0.72%	



## Loan Disbursements by Gender and Indirect Beneficiaries

Loan by Gender Tracking	Female	Male	Total
During Project Pilot	47	22	69
Post Project Pilot	60	28	88
<b>% Increase Post Pilot</b>	<b>28%</b>	<b>27%</b>	<b>28%</b>

Indirect Beneficiaries	#
During Project Pilot	167
Post Project Pilot	203
<b>% Increase Post Project Pilot</b>	<b>22%</b>



## Awards and Recognition - In April 2023 COK won an award at the 15<sup>th</sup> Annual Caribbean Renewable Energy Forum **Best Energy Efficient Project**



# Introduction of Digital Climate Risk Management at COK

## Project Activity/Output

## Details

- Integrating YAPU Climate Risk Management Software API with COK's Loan Origination System and Core Banking System

Merging Digital Climate Risk Assessment with Climate Adaptation and Resilience

- Use results to assist members in recommending **Climate Solutions** that will increase their adaptive capacity towards Climate Threats in particular in the area of Mortgages, Home Equity, and Business Loans.
- Vulnerability Risk Assessment of individual member assets and COK's Loan Portfolio to determine the Net Climate Risk.



# Introduction of Digital Climate Risk Management at COK

## COK Sodality Co-op Credit Union Ltd. YAPU Climate Risk Assessment Report

### General

Loan ID:	Member Category: Regular
Name: Maurice Miller	Account #: 3333507
Loan Type: Real Estate	Loan Product: Home Equity
Home Type: Single Family Home	Business Type: Manufacturing

**Global Net Climate Risk Score 20.00 % (Very Low)**  
as of May 10, 2023

### Vulnerability Scores

	Drought	Flooding	Storm	Frost	Heat
Client Exposure	36.67 (Low)	48.33 (Middle)	35.83 (Low)	20.00 (Very Low)	60.00 (Middle)
Client Sensitivity	22.86 (Low)	31.43 (Low)	28.57 (Low)	20.00 (Very Low)	31.43 (Low)
Adaptive Capacity	35.85 (Low)	43.49 (Middle)	44.71 (Middle)	42.94 (Middle)	37.58 (Low)
Net Climate Risk	19.09 (Very Low)	22.54 (Low)	17.81 (Very Low)	11.41 (Very Low)	28.54 (Low)

### Adaptive Capacities

#### Adaptive capacity 1 - walls

Question	Answer
Are your walls properly reinforced?	Yes
Do you have seismic Damping Systems?	No
Have you replaced Weak Damaged Wall Materials?	Yes
Do you have wall Anchorage Systems?	Yes

#### Adaptive capacity 2 - foundation

Question	Answer
Do you have a perimeter drain?	Yes
Do you have air conditioning system(s) in place?	Yes
Do you use piles for foundation reinforcement?	No
Do you have reinforcement beams?	Yes

#### Adaptive capacity 3 - roof

Question	Answer
Do you have a sloped roof?	Yes
Does your roof need repairs?	No
Have your roofs been Reinforced Against Wind( Hurricane Straps)?	Yes
Do you have pico P V Systems( Small Independent Plugs - Radio/ Mobile)?	Yes

# Introduction of a Climate Risk Policy at COK

## Project Activity/Output

## Details

- **Climate Risk Policy**

### **Policy approved by the BOD**

- The roles and responsibilities of the COK Staff, Management and Board in Climate Risk Management
- Implementation of Climate Risk Committee
- Climate Risk Management – Loan Evaluation and Portfolio Monitoring
- Business continuity and contingency plans

## COK's Plans to Increase Resilience geared at Communities



*Single mother beneficiary of a Solar Loan*

- ❑ Obtain Funding and Technical Assistance to continue to promote awareness in Rural and Vulnerable Communities regarding the 4 Climate Risk Dimensions and building adaptive capacity to mitigate threats in these vulnerable communities.
- ❑ Being able to access funding to lend at very low-interest rates for Resilience Financing to make this type of credit solution more affordable to low-income, rural and vulnerable communities.



# COK's Goals over the next 2-5 years

- ❑ To increase the resilience of Homeowners and Businesses through the utilization of the Climate Risk Assessment Tool in relation to Mortgage and Home Equity and Business Loans.
- ❑ To increase the resilience of the Credit Union loan portfolio to Climate Threats/Risk.
- ❑ To increasing the type of green loan solutions that will be offered to members in an effort to enhance their resilience.
- ❑ To significant grow the loan portfolio concentration in Green/Resilience Financing to over 3% -to 5% in the next 2- 3 years.
- ❑ To meet the objectives agreed to via our commitment as members of the Scale for Resilience.
- ❑ To become earlier adaptors for new Climate Initiatives and Programmes

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# **Fostering Resilience To Climate Change**

**The Kualu Fund,  
GAWA Capital**





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# Q&A

A photograph of a garden scene. In the foreground, several young green plants with small leaves are growing in dark soil. A person wearing a light blue shirt and a dark cap is visible in the background, working in the garden. The background is filled with more greenery and trees, creating a lush, natural setting. The text "Together..." is overlaid in white, bold font in the center of the image.

**Together...**

**until 2030 and beyond**