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MSD and Private Sector Engagement for Climate Resilience in Contexts of Displacement

Emerging Findings

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Why climate resilience in displacement contexts?

- Over 70% of refugees and IDPs are in countries highly vulnerable to climate change and most of them make their living in fragile agricultural value chains
- Limited adaptive capacity: movement restrictions, no safety nets, can't easy shift out of agriculture, limited services and products available, adapted and affordable
- Livelihoods at risk and hard-won advancements in more commercial farming are continuously threatened by climate shocks and environmental hazards
- Lack of integration in well-functioning markets systems makes them more vulnerable to shocks

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Scope of the study

- Under PROSPECTS Programme and AIMS portfolio framework
- **Are climate change adaptation technologies and approaches accessible and impactful?** If so what kinds of adaptation solutions are being promoted and how?
- To what extent are these approaches **working with local market actors to build a sustainable delivery** mechanism to strengthen long-term resilience?
- What are emerging **good practices and shortcomings**? Recommendations for greater impact & sustainability
- Desk review of existing resources (especially in Africa) and case studies in **Uganda and Ethiopia** for first-hand data. Mitigation and energy sector excluded.

Preliminary insights: what can be improved?

- Adaptation Gap even more severe in fragile settings: -1% from the global adaptation funding goes to the most vulnerable countries and most never leaves cities. Refugees and HCs often excluded from any support.
- Emerging climate adaptation support in fragile settings but rarely integrate market systems and connection with local private sector actors remains limited.
- Traditional delivery is still the predominant model with clear challenges for scale and sustainability
- Categorization of current adaptation interventions. Imbalance?
- Focus on mitigation and short-term resilience: responding to the challenges *today*, not anticipating future shifting of climate and crops

conditions

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Preliminary insights: what works?

- Resilience grows through economic activity, diversification, investment, skills, and networks
- Local companies, especially MSMEs, already supplying climate resilience solutions to refugees and HCs and adapting them as part of their services to sale
- Opportunities (markets) often lie outside camps/settlements—the key is reducing the “distance” and de-risking the investment
- Local MSME more likely to sustain their operations without donor funding
- PUSH interventions are essential enablers for inclusion
- Resilience requires both people’s capacity to engage and systems’ capacity to include them
- Direct aid alone is not enough—systemic, market-based approaches are essential

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More detailed results coming soon!

Final study to be launched in September

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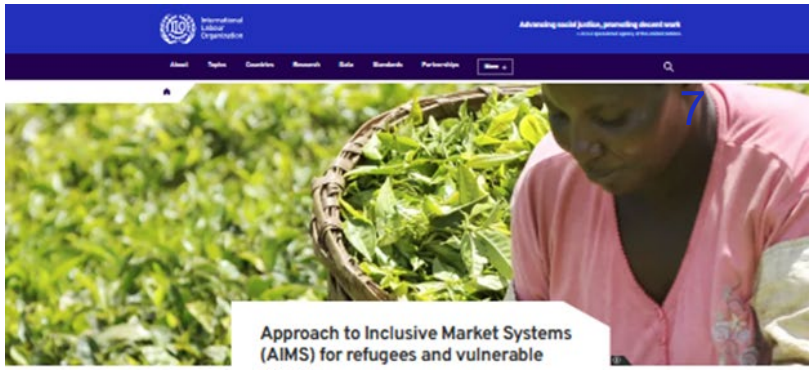
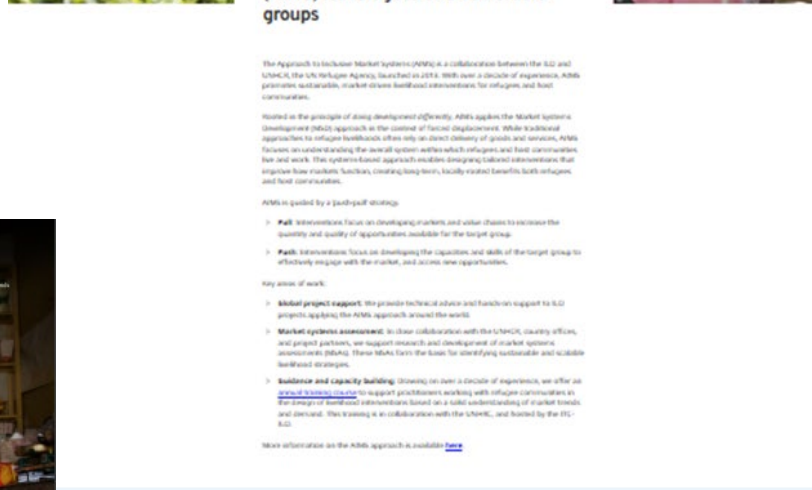
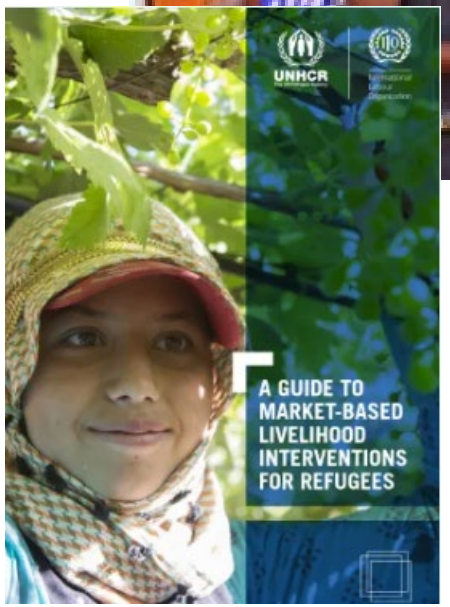
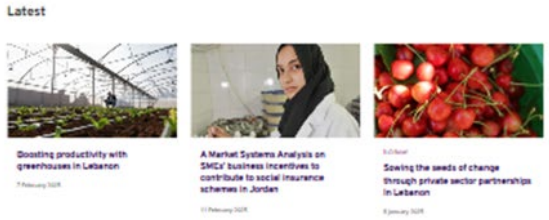
In the meantime…

More resources on AIMS and inclusive business models in fragile settings

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