

Workshop on Climate Insurance for Dry Zone Farmers in Sri Lanka
Welcome and Introductory Address: Dr. Saman Kelegama, ED, IPS, 24 Jan 2017

It gives me great pleasure to welcome all of you to this important workshop on Climate Insurance for Dry Zone Farmers in Sri Lanka, organized by the Institute of Policy Studies of Sri Lanka. The workshop is organized to disseminate the findings of the IPS study titled Climate Insurance for Dry Zone Farmers in Sri Lanka funded by the Global Development Network (GDN).

We are indeed pleased to have with us Prof. Mohan Munasinghe, Chairman of the Presidential Panel of Experts for 2030 Vision for Sustainable Development to inaugurate this workshop and be our chief guest this morning. Prof. Mohan Munasinghe was the Vice Chair of the UN Intergovernmental Panel on Climate Change (IPCC-AR4), who shared the 2007 Nobel Prize for Peace.

We are also thankful to Dr Daniel Osgood, Lead Scientist, Financial Instruments Sector Team, International Research Institute for Climate and Society, Earth Institute, Columbia University, USA, for joining us online today and agreeing to deliver the keynote speech via skype. He has also been mentoring this research study from the beginning. We are also pleased to have here today a number of experts in several important fields namely climate change, insurance, agriculture, disaster management, etc., representing government, private sector, civil society, and academia.

Climate change adaptation is increasingly been viewed as a priority area in several economic sectors, given the fact that changes in climate pattern are more visible today. Agriculture sector is identified as a highly vulnerable sector for climate change in Sri Lanka. Specifically, the Dry Zone agriculture is facing issues due to variations in the usual rainfall pattern and increased frequency and severity of natural disasters such as floods and droughts. From policy perspective, it is important to take appropriate actions to manage the disaster risks effectively. Though climate change may not be the only factor affecting the occurrence of such extreme events, it is high time to have a comprehensive framework to address the vulnerability issues which are on an increasing trend.

This calls for the need for having research-based information in regard to risk management strategies of farmers. Moreover, climate insurance is now a lot debated subject as a tool for climate adaptation. However, there has been minimal research carried out on these aspects in Sri Lanka.

The IPS is proud to be able to shed some light on this important research area of risk management strategies of farmers, including climate insurance. Deliberations of today's workshop will therefore focus on this very important topic of climate insurance as a risk management strategy for Dry Zone farmers in Sri Lanka. The deliberations will be based on an IPS study funded by the Global Development Network – GDN. IPS is

indeed proud to have won the first prize for Outstanding Research on Development for the research proposal submitted by Kanchana Wickramasinghe at the Global Development Awards and Medal Competition of the GDN held in Accra, Ghana in 2014. It is a competitive research grant programme that identifies and funds outstanding research proposals in developing countries and transition economies with high potential for excellence in research and clear policy implications for addressing development issues. We really appreciate GDN's effort in this regard.

The aim of today's workshop is therefore to disseminate the findings of the study and create a dialog in regard to crop insurance as a risk management strategy for Dry Zone farmers in Sri Lanka. We expect that a fruitful dialog will be taking place in achieving these goals of the workshop.

However, this is not the first study that the IPS has undertaken on climate change adaptation in Sri Lanka. Climate change has been a key thematic area of research at the Environmental Economic Policy Unit of the IPS. The IPS recently undertook the task of preparing the National Adaptation Plan for Climate Change Impacts in Sri Lanka - 2016 to 2025, which was launched by the Ministry of Mahaweli Development and Environment last December. The IPS is currently undertaking a study on "Bridging the Climate Information and Communication Gaps for Effective Adaptation Decisions: An Integrated Climate Information Management System" with financial assistance from the Think Tank Initiative (TTI) Opportunity Fund by the International Development Research Centre (IDRC), Canada. Two other ongoing IPS studies focuses on climate adaptation issues in regard to agriculture sector and national physical planning, funded by UNDP and UN-Habitat consecutively. The Institute recently assisted the Institute for Global Environmental Strategies (IGES), Japan to undertake a post-evaluation of the strategies of the Technology Need Assessment (TNA) in Sri Lanka. The Institute's web portal - Climate Policy Network (CLIMATEnet) and the blog is dedicated to sharing ideas, information, insights, news and resources in relation to climate change in Sri Lanka. Further, with the funding assistance of the South Asia Watch on Trade, Economics & Environment (SAWTEE), a study was undertaken on Agricultural Adaptation Practices in Sri Lanka. The IPS publication titled "Mainstreaming Climate Change for Sustainable Development in Sri Lanka", supported by the UNESCO Participation Programme, is also a significant contribution. The IPS will be engaged in conducting policy oriented research in regard to disaster risk reduction and climate change in the future also.

May I once again extend a warm welcome to all of you and hope that you will benefit from the deliberations of this workshop today.

I thank you.