SAN FERNANDO VALLEY BUSINESS JOURNAL

Valley Economic Forecast 2023

What to Expect for the Year Ahead

San Fernando Valley Business Journal
Valley Economic Forecast 2023

San Fernando Valley Business Journal Presents: Valley Economic Forecast 2023

The San Fernando Valley Journal was excited to host the 2023 Valley Economic Forecast breakfast event on Wednesday morning, March 8th at the Orchard Conference Center at CSUN.

The live, in-person event featured two packed and lively panel discussions with leading experts on the hottest topics on the minds of Valley area business leaders. The conversations offered an insightful look back on the unprecedented challenges and silver linings of the past couple of years while providing a deep dive into the economic trends we are facing moving forward in 2023.

Our outstanding group of panelists examined the issues as they shared their insights, experiences and predictions on a broad array of issues.

The panels this year focused on the hot-button topics of the workplace and current issues employers face; access to housing and affordability; and access to capital and business consultancy. Two roundtable style discussions took place with expert insights and analysis about the impact current trends are likely to have on the overall economic climate.

The first panel, moderated by San Fernando Valley Business Journal editor-in-chief Charles Crumpley, featured a spirited discussion containing shared knowledge from Roberto Barragan, managing director of ICON CDC; Tamara Gurney, president and CEO of Mission Valley Bank; Jonathan Fraser Light, managing attorney at LightGabler; and John Parker, co-founder and executive officer of Parker Brown.

Each of the experts weighed in on a variety of hot issues and talking points, including:

- The future of Valley-based business (real estate and otherwise);
- What local government can do to help Valley businesses thrive;
- Creating more well-paying jobs in the Valley;
- The pros and cons to doing business in the Valley;
- The challenges of remote and hybrid workplace practices for business owners;
- Changing trends in leave of absence policies;
- Pay equity vs. pay equality;
- Growth strategies for the region; Financing options for businesses in 2023;
- Combatting the homelessness problem;
- …and much more.

Immediately following this eye-opening conversation, the Economic Forecast audience was treated to an equally in-depth and timely second roundtable style panel on what trends we can expect to see in the coming 12 months.

The second panel, moderated by Calabasas Mayor David J. Shapiro, featured expert insights from Scott Alderton, managing partner of Stubbs Alderton; Maier Rosenberg, managing member of MNR Business Consulting; Richard Rosenberg, partner at Ballard Rosenberg Golper & Savitt, LLP; and Danone Simpson, CEO of Montage Insurance Solutions.

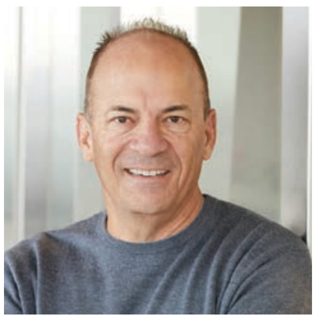
Each of these professionals weighed in on a number of discussion topics, including:

- California employment law trends;
- What businesses can do to prepare themselves for a turndown and an upswing;
- Trends in lending or credit availability for small businesses in 2023;
- Evolving relationships between business owners and their trusted advisors;
- The W-2 vs independent contractor question;
- The effects of unions on business and how companies can prepare for when employees are organizing;
- Trends in selling a business, and how best to plan for the transition;
- Whether EBITDA is the driving force in determining the selling price of a company;
- The role of artificial intelligence in the business economy;
- The "Quality of Earnings" report trend;
- …and much more.

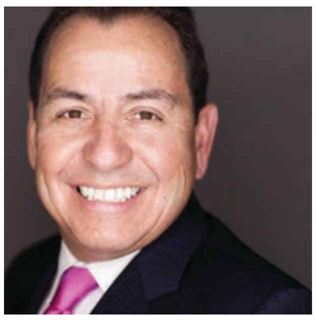
Thanks to our sponsors who made the event possible, including Ballard Rosenberg Golper & Savitt, LLP; ICON CDC; LightGabler; Mission Valley Bank; Montage Insurance Solutions; Parker Brown; and Stubbs Alderton & Markiles. And of course, many thanks to this year's excellent lineup of panelists, who took the time to share their insights on the biggest headlines and where the market is going in 2023.

View highlights from the panel discussion online: sfvbj.com/events/economicforecast2023

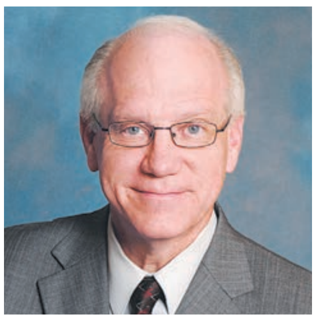
PANELISTS



SCOTT ALDERTON
Managing Partner
Stubbs Alderton & Markiles, LLP

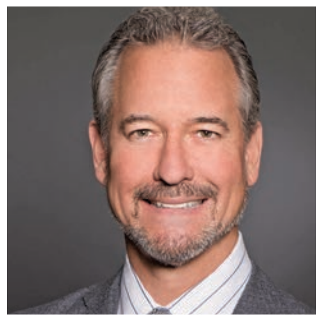


ROBERTO BARRAGAN
Managing Director
ICON CDC

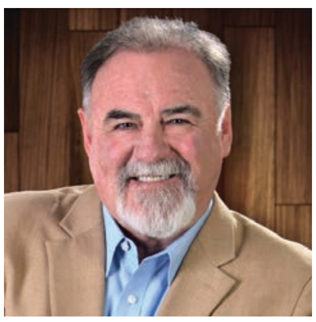


CHARLES CRUMPLEY
Editor-in-Chief
San Fernando Valley Business Journal

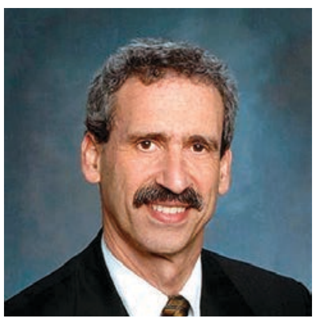
TAMARA GURNEY
President and Chief Executive Officer
Mission Valley Bank



JONATHAN FRASER LIGHT
Managing Attorney
LightGabler

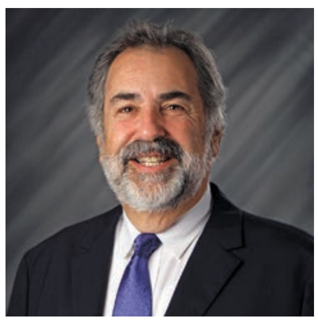


JOHN PARKER
Co-Founder and Executive Officer
Parker Brown

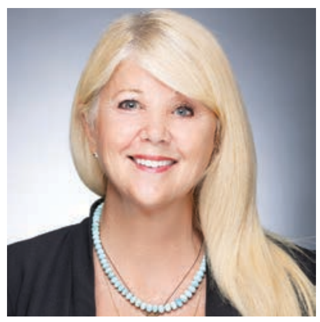


MAIER N. ROSENBERG
Managing Member
MNR Business Consulting

RICHARD ROSENBERG
Partner
Ballard Rosenberg Golper & Savitt, LLP



MAYOR DAVID J. SHAPIRO
Mayor
City of Calabasas



DANONE SIMPSON
CEO
Montage Insurance Solutions

City Of Los Angeles Business source North & South Valley Region

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New Leave of Absence/Bereavement Laws For 2023

By JONATHAN FRASER LIGHT

Leaves of absence just got a bit more complicated with the passage of two new California laws that went into effect in 2023. Historically, leaves of absence under the California Family Rights Act (CFRA) allowed an employee to take time off to care only for an ill or injured “family member.” The statute contains a laundry list of potential recipients of that care, all blood relations of one sort, including in-laws, but limited. California paid sick leave (PSL) has a similar laundry list.

Because of two new laws, under both the CFRA and PSL, employees are now allowed to take leave to care for a “designated person” who may be a distant relative (CFRA), or no relative at all (PSL). Interestingly, the two laws are not quite the same in how they define a “designated person.” Let’s deal with CFRA first.

Under the CFRA, the designated person must be a blood relative, but it doesn’t have to be someone within the previous laundry list of those who qualify. For example, Great Aunt Sally may be a blood relation, but she was not included in the previous CFRA laundry list. But now, because she’s a relative, however distant, she could be designated and the employee can take off time to care for her.

Sick leave for a “designated person” under PSL is more expansive. The designated person does not have to be a relative at all. An employee, for example, may regularly help an elderly next-door neighbor with chores, food and shopping. Now, if they take them to a doctor’s visit or otherwise assist them with medical issues, the employee may designate the neighbor as the individual for whom the employee is going to provide such assistance or care under the paid sick leave law.

Under both laws, the employee must designate one person at the time they go out on leave or use sick leave for short absences. Once they designate a specific person, that person is the only “designated person” the employee can take care of for an entire year under either of the statutes. The two statutes are consistent on that point (although the employee could designate a different person under each law).

CFRA used to be consistent with the Family Medical Leave Act (FMLA) in requiring the employer to have 50 employees before CFRA applied. That changed a couple of years ago. Under the CFRA, the employer need have only a minimum of five employees, and only one of them needs to be in California (and that’s the only one to whom CFRA would apply). The employee still needs to have worked 1,250 hours over the prior year, and worked for at least a year for the employer (with some exceptions for past employment tacked on).

With PSL, as long as employees have PSL available on the books, they may exercise their “designated person” rights regardless of length of employment, so long as they have been there at least 90 days if the employer wants to require them to wait that long.

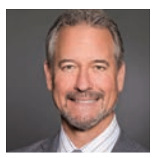
A few last general points on FMLA/CFRA. When an employee goes out on workers’ compensation leave, the employer should give them a notice regarding their FMLA/CFRA rights and the applicability of those rights to the workers’ compensation leave. Workers’ compensation leave and FMLA/CFRA leave run concurrently. If the workers’ compensation leave extends many months, the 12 weeks of FMLA/CFRA will run out much earlier. If that occurs, the employer then has the option to discontinue paying its share of health insurance premiums. If the employer did not give the FMLA/CFRA notice up front, however, the employer will need to provide the notice when the employer discovers the omission. Then the employer would let the 12 weeks run out before discontinuing payments (and only after providing a COBRA notice). Employers often call about an employee who has been on workers’ compensation leave for six or seven months. They ask, “Can we stop paying medical premiums?” The answer is “yes,” but only if the employer has given the 12 weeks of notice. If not, the employer can immediately give the 12 weeks’ notice and let that time run out before the employer may stop paying the premiums.

CFRA and FMLA generally run concurrently, except when it comes to pregnancy disability leaves in California. Then, there are several laws that overlap (FMLA/PDL and, separately, CFRA/PFL), as well as SDI and PFL for benefits from the state. This is all complicated further when employees only qualify for CFRA/FMLA in the middle of the pregnancy disability leave because they have reached a year with the employer during the leave. Some of the laws are available immediately, however, regardless of length of employment. The dissection of this alphabet soup of leave and benefits laws during pregnancy and baby bonding is best left for another time.

Because of two new laws, under both the CFRA and PSL, employees are now allowed to take leave to care for a “designated person” who may be a distant relative (CFRA), or no relative at all (PSL).

Although not technically a leave of absence in the traditional sense, another new California law allows up to five days of unpaid bereavement leave for employees of companies with at least five employees. The employee must have worked for at least 30 days to use this new leave law. The employee may apply paid leave benefits such as PTO, vacation or sick time to cover the unpaid leave days. Employers who already grant some paid bereavement time can just overlap that policy with the new unpaid leave law. There are the usual restrictions on the family members applicable to this leave (but no “designated person” is allowed). There is no limit on the number of times the five days can be used in a year, but employers are entitled to proof of the need for the bereavement leave. Note that in small companies, like a medical corporation, the physician-owner is considered one of the five employees when determining head count.

These are just a few of the leave laws that tangle up employees on a regular basis. Employers should use this opportunity to update their handbooks to address these new basic changes in leave laws, and to ensure that they are referencing the myriad of leave laws that California provides to its workers. Applicability depends on the number of employees as to most of the leaves, and to length of service with a very few, so employers need to be clear about what they may provide and what they must provide.



Jonathan Fraser Light is the managing attorney at LightGabler, which serves almost 3000 small and large public and private sector employers (for-profit and non-profit) in a variety of industries. He can be reached at jlight@lightgablerlaw.com.

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The 'Everything, Everywhere, All at Once' of Selecting the Right Bank for Your Business

By TAMARA GURNEY

Starting and running a business is an exciting and rewarding endeavor, but it comes with a lot of responsibilities, including managing finances. One crucial aspect of financial management is selecting the right business bank, which can have a significant impact on the success of your business.

Making that selection can be a challenging task. It is important to carefully consider the financing options, account types, electronic services, fees, and service levels offered by each institution. Additionally, it is important to consider the bank's approach to customer service, as some individuals may prefer the anonymity of a large bank while others may value the personal touch of a smaller community bank.

While most financial institutions offer similar product offerings, the way in which these products are delivered can vary greatly. Larger banks and online financial institutions may offer more convenient online application processes, while smaller community banks may offer more personalized service and customized solutions.

It is important to remember that no bank can be all things to all clients, and not all banks are created equal. Each institution may have a different focus and core competency, making it essential for businesses to ensure that the bank they choose is a good fit for their specific needs.

DO SOME RESEARCH

Before choosing a bank, it is important to conduct research to determine the bank's strength, health, and direction. This can be done through a quick internet search, which can provide ample information about the philosophy and focus of various institutions. Once you have narrowed down your choices, set an appointment with a relationship banker to learn more.

During this meeting, ask questions about the bank's interest in establishing a relationship with your business, the array of products and services offered, and the bank's willingness to be honest and transparent about your financial situation.

WILL YOUR BANK SERVE AS A TRUSTED ADVISOR?

As a business owner, managing finances and making strategic decisions can be a daunting task. In fact, it is one of the most common challenges that many business owners face. From understanding financial statements and tax laws to identifying growth opportunities, the world of business finance can be complex and overwhelming. That is why many business owners turn to trusted advisors for guidance.

A trusted advisor is a financial professional who provides guidance and support to business owners as they navigate the many challenges of managing their finances and making strategic decisions. Whether it is a CPA, financial planner, or business banker, a trusted advisor can provide valuable insights, resources, and expertise that help business owners achieve their goals and succeed.

One of the key benefits of having a trusted advisor is that they can help business owners navigate the many challenges that they may face when managing their finances and making strategic decisions. Depending upon their area of expertise, a trusted advisor can help business owners identify their strengths and weaknesses, understand their financial position, and develop a strategic plan for success.

Another benefit of having a trusted advisor is that they can help business owners prepare for major transitions, such as mergers and acquisitions, succession planning, or exit strategies. These transitions can be complex and emotional, and a trusted advisor can provide guidance and support as business owners navigate these important decisions.

Over time, the relationship between a business owner and their trusted advisor typically evolves. As business owners gain more experience and expertise, they may require different types of guidance and support. By staying in communication and working together, both parties can ensure that the relationship remains productive and beneficial.

Looking to the future, the role of a trusted advisor is likely to become even more important as businesses face new challenges and opportunities. With the rapid pace of technological change, evolving regulatory landscapes, and uncertainty in the economic forecast, business owners will need guidance and support to navigate these complex issues and stay ahead of the curve.

ACCESS TO FINANCING, TOOLS, AND RESOURCES

While establishing a relationship with your bank is perhaps the most important factor, there are other aspects of financial management to consider starting with access to financing. As a business owner, you may need a loan or line of credit to fund operations, expand the business, or manage cash flow. The right bank can offer a range of financing options tailored to your specific needs that can help achieve your goals.

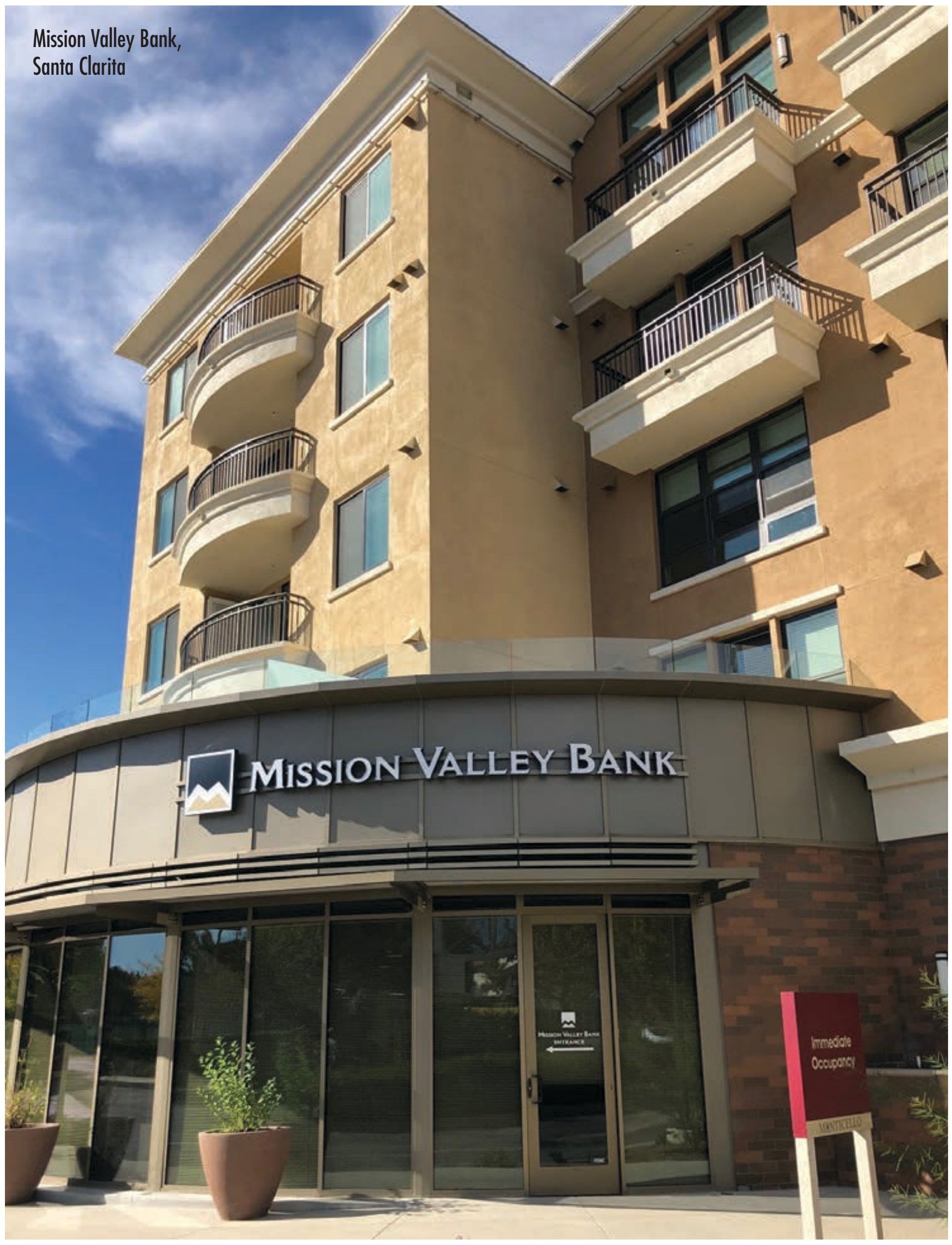
If your business accepts credit card payments, you'll need a merchant account to process those payments. Choosing a bank that offers merchant services can simplify the process of accepting payments and managing transactions. You may also be able to get a better rate for credit card processing fees by bundling these services with your business banking.

With the rise of online banking and digital tools, it's important to choose a bank that offers modern and convenient banking services. This includes online banking, mobile banking, and access to digital tools that can help you manage your finances more efficiently saving you time and money in the long run.

Another important factor to consider when choosing a business bank is customer service. You'll want to work with a bank that has a reputation for excellent customer service, which can help resolve any issues or concerns quickly and efficiently.

IS IT A GOOD FIT?

Having a relationship with your banker is invaluable, as a good banker can serve as a Trusted Advisor who is invested in the growth and success of your business. There is tremendous value in working with a client-focused, relationship-driven bank who will invest the time necessary to get to know your business and understand its unique needs. By developing long-term relationships with bankers who demonstrate expertise, experience, and dedication to your success, you can set your business up for lasting success.



Mission Valley Bank, Santa Clarita


Mission Valley Bank, Sun Valley HQ

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Tamara Gurney is president & CEO of Mission Valley Bank, a locally-owned, full-service, independent community business bank headquartered in Sun Valley, with a business banking office in Santa Clarita. For more information, visit MissionValleyBank.com or call (818) 394-2300.

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Setting an Example by Sharing Success with the Community

Parker Brown has done well. Now it is concentrating on "doing good" for its community.

The 28-year-old general contractor in the Valley has grown steadily and now employs more than 50 workers. It has developed specialties in tenant improvement for medical facilities (be they clinics or doctors' offices) and retail.

PAY IT FORWARD SPOTLIGHT

In the past two years, however, Parker Brown has taken on some projects for the neediest in our Los Angeles Community.

One prime example is a $2 million refurbishment of the Simi Valley Free Clinic. This clinic offers medical, dental and mental health services to those who are unable to afford it. The clinic, which has served the needy in Simi Valley since 1971 with medical, dental, legal and counseling services, is in its new home at 2003 Royal Avenue. Parker Brown handled all of the tenant improvements in the new building under exceptional deadline pressure.

Work consisted of a full interior demolition of 8,417 square feet of office space, including asbestos abatement, and the buildout of a new OSHPD3 medical facility, including dental imaging, labs and operating rooms and, exam rooms, with new restrooms and office space.

Another example of Parker Brown's generosity is the $4 million tenant improvement project for St. John's Wellness Centers in South LA. This is an area underserved by medical facilities. The work done by Parker Brown impacted the lives of tens of thousands of people living near this facility that, again, offers low-cost or free health care to the neediest. The build at 6800 Avalon Blvd. was an 11,000-square feet warehouse. Parker Brown converted it into an open, airy and beautiful facility. St. John's "strives for health equity by addressing the health care needs of low-income, uninsured, and under-insured people in Central/South Los Angeles and Compton."

Parker Brown is also about to begin a $4 million centralization of the West Valley Food Pantry Community Center. This project would tie together the network of food distribution sites that are scattered throughout the Valley in one single, ground-up 4,000-square-feet building. The current system is inefficient to serve the needs of the hungry. The Center in Woodland Hills will include a new warehouse, distribution room, walk-in cooler, staff office suites, community work spaces, a community kitchen, and more. The project should get under way this spring and take about one year to complete.

"You can't be a good citizen to your community without first being a viable business, and second, being a company that shows it cares about those in the community," said John Parker, co-founder of Parker Brown, Inc.

"Obviously, we have to price these projects to keep our company in business and make sure our employees are paid fairly," said Scott Brown, co-founder. "But these projects make these communities healthier and better. And that is part of our mission as well."

Parker Brown has a long history of "doing the right thing." John Parker and Scott Brown started the company in early 1994 and a few weeks later, the Northridge Earthquake devastated the Valley. There was a phenomenal amount of work for contractors. Some of them took advantage of the situation and raised the rates they charged for rehabilitation projects. Parker Brown did not.

"We received advice from one of our mentors in the business that we would earn the loyalty of our clients if we kept our rates where we were and did not take advantage of them when they were in crisis," Parker said. "Some of those clients are still with Parker Brown today."

Members of the Parker Brown teams are actively involved in the community. They serve on boards for groups that work to prevent domestic violence and curb substance addiction. Many staff members serve as youth mentors and coaches for youth sports teams.

"We give them time off to participate in their community and support their teams with sponsorships," said Brown.

Additionally, the company searches for local business and business organizations to support. It has been a leader in the Greater San Fernando Valley Chamber of Commerce and the Valley Industry and Commerce Association. It also supports pro-business organizations such as the Association for Corporate Growth. Educational Institutions – such as Cal State Northridge and California Lutheran University – enjoy support from Parker Brown sponsorships.

Learn more at parkerbrowninc.com.

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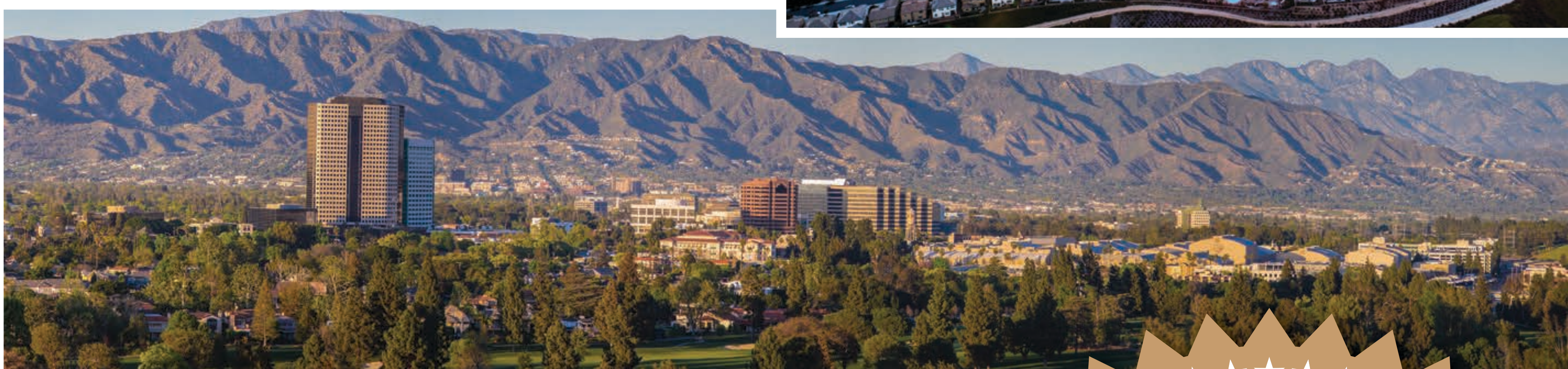

COMMUNITY BUSINESS BANKING SINCE 2001

As a business, having the right bank matters. For more than two decades, Mission Valley Bank has served the San Fernando and Santa Clarita Valleys with the best of Community Business Banking. Over the years, our Trusted Advisors have partnered with thousands of local business owners offering financial solutions tailored to their needs that help clients and communities thrive.

The San Fernando Valley Business Journal has recognized Mission Valley Business Bankers with the honor of **"Most Trusted Advisor"** every year since the award's inception in 2011. Client relationships with shared vision, purpose, and understanding makes this possible.

MISSIONVALLEYBANK.COM

FDIC

Branches located in:

SAN FERNANDO VALLEY
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EQUAL HOUSING LENDER

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Study Details Commercial Real Estate's Impact on the Overall US Economy

The impact of new commercial real estate development in the US continues to grow, according to the annual "Economic Impacts of Commercial Real Estate" research study conducted by the NAIOP Research Foundation.

The combined economic contributions of new commercial building development and the operations of existing commercial buildings in 2022 resulted in direct expenditures of $826.9 billion and the following impacts on the US economy:

- Contributed $2.3 trillion to US gross domestic product (GDP).
- Generated $831.8 billion in personal earnings.
- Supported 15.1 million jobs.

Among other highlights:

- Significant (143.4%) increase in non-warehouse (manufacturing) industrial building construction in 2022, making it the largest segment of new CRE construction in 2022.
- The four property types covered in the report saw increased construction spending (hard costs) last year.
- With continued remote work, some firms are defensively putting space onto the sublease market, a trend exacerbated by true downsizing and layoffs, which has been especially concentrated in the tech sector.
- Notwithstanding the challenges of office-linked retail in urban-core markets, demand for traditional retail space has rebounded, and overall occupancy rates have recovered to pre-pandemic levels.

"The construction sector ended 2022 with positive momentum that we hope will continue into the new year," said Richard Branch, chief economist, Dodge Construction Network, provider of the commercial construction data cited in the report. "As we look ahead, growth in sectors such as life sciences, data centers and manufacturing will be important for seeing the potential amid the economic slowdown in 2023."

Altogether, commercial, residential, institutional and infrastructure development and operations of existing commercial buildings contributed $6.5 trillion to the US economy and supported 37.7 million jobs in 2022.

"The data in the report are strong economic indicators of commercial real estate development investment, job growth, and subsequential contributions to the US economy," said Marc Selvitelli, CAE, president and CEO of NAIOP. "Our success could be met with headwinds as inflation, workforce constraints and higher interest rates create uncertainty. Our Research Foundation, legislative team and education will keep our members and industry professionals informed on these issues and offer resources as the industry navigates potentially choppy waters."

The report notes that "slow growth in real (inflation-adjusted) GDP (0.2%) is expected, as well as in nonresidential fixed business investment (0.6%) – both evidence of potential declines in demand for construction and real estate. While expected slowdowns in economic growth in 2023 could dampen demand, the total value of construction is anticipated to increase modestly."

The "Economic Impacts of Commercial Real Estate" report is authored by Brian Lewandowski, Adam Illig, Michael P. Kercheval, Ph.D., and Richard Wobbekind, Ph.D., at the University of Colorado Boulder Leeds School of Business.

> As we look ahead, growth in sectors such as life sciences, data centers and manufacturing will be important for seeing the potential amid the economic slowdown in 2023.'

Since 2008, NAIOP has conducted this study for purposes of estimating the annual economic contribution of commercial real estate development to the US economy. This study is used by real estate professionals and municipal, state, and federal officials and employees, to understand and quantify the key economic benefits of commercial real estate development. The full report is online at naiop.org/contributions23.

For more information, visit naiop.org.

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A Global View: Slowdown to Hit Some Nations Harder

Global growth is slowing sharply in the face of elevated inflation, higher interest rates, reduced investment, and disruptions caused by Russia's invasion of Ukraine, according to the World Bank's latest Global Economic Prospects report.

Given fragile economic conditions, any new adverse development—such as higher-than-expected inflation, abrupt rises in interest rates to contain it, a resurgence of the COVID-19 pandemic, or escalating geopolitical tensions—could push the global economy into recession. This would mark the first time in more than 80 years that two global recessions have occurred within the same decade.

The global economy is projected to grow by 1.7% in 2023 and 2.7% in 2024. The sharp downturn in growth is expected to be widespread, with forecasts in 2023 revised down for 95% of advanced economies and nearly 70% of emerging market and developing economies.

Over the next two years, per-capita income growth in emerging market and developing economies is projected to average 2.8%—a full percentage point lower than the 2010-2019 average. In Sub-Saharan Africa—which accounts for about 60% of the world's extreme poor—growth in per capita income over 2023-24 is expected to average just 1.2%, a rate that could cause poverty rates to rise, not fall.

"The crisis facing development is intensifying as the global growth outlook deteriorates," said World Bank group president David Malpass. "Emerging and developing countries are facing a multi-year period of slow growth driven by heavy debt burdens and weak investment as global capital is absorbed by advanced economies faced with extremely high government debt levels and rising interest rates. Weakness in growth and business investment will compound the already-devastating reversals in education, health, poverty, and infrastructure and the increasing demands from climate change."

Growth in advanced economies is projected to slow from 2.5% in 2022 to 0.5% in 2023. Over the past two decades, slowdowns of this scale have foreshadowed a global recession. In the United States, growth is forecast to fall to 0.5% in 2023—1.9 percentage points below previous forecasts and the weakest performance outside of official recessions since 1970. In 2023, euro-area growth is expected at zero percent—a downward revision of 1.9 percentage points. In China, growth is projected at 4.3% in 2023—0.9 percentage point below previous forecasts.

Excluding China, growth in emerging market and developing economies is expected to decelerate from 3.8% in 2022 to 2.7% in 2023, reflecting significantly weaker external demand compounded by high inflation, currency depreciation, tighter financing conditions, and other domestic headwinds.

By the end of 2024, GDP levels in emerging and developing economies will be roughly 6% below levels expected before the pandemic. Although global inflation is expected to moderate, it will remain above pre-pandemic levels.

The report offers the first comprehensive assessment of the medium-term outlook for investment growth in emerging market and developing economies. Over the 2022-2024 period, gross investment in these economies is likely to grow by about 3.5% on average—less than half the rate that prevailed in the previous two decades. The report lays out a menu of options for policy makers to accelerate investment growth.

"Subdued investment is a serious concern because it is associated with weak productivity and trade and dampens overall economic prospects. Without strong and sustained investment growth, it is simply impossible to make meaningful progress in achieving broader development and climate-related goals," said Ayhan Kose, director of the World Bank's Prospects Group. "National policies to boost investment growth need to be tailored to country circumstances but they always start with establishing sound fiscal and monetary policy frameworks and undertaking comprehensive reforms in the investment climate."

The report also sheds light on the dilemma of 37 small states—countries with a population of 1.5 million or less. These states suffered a sharper COVID-19 recession and a much weaker rebound than other economies, partly because of prolonged disruptions to tourism. In 2020, economic output in small states fell by more than 11%— seven times the decline in other emerging and developing economies. The report finds that small states often experience disaster-related losses that average roughly 5% of GDP per year. This creates severe obstacles to economic development.

Policymakers in small states can improve long-term growth prospects by bolstering resilience to climate change, fostering effective economic diversification, and improving government efficiency. The report calls upon the global community to assist small states by maintaining the flow of official assistance to support climate-change adaptation and help restore debt sustainability.

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