



NAP Global Network

Coordinating
Climate-Resilient
Development

Prioritising adaptation activities

11.00-11.20; 16/03/2016

Olivia Palin, Acclimatise



Why?

“Selection and prioritization of adaptation options is important because not all adaptation options will be possible owing to constraints such as

- **insufficient local resources**
- **capacities, and**
- **authority.**

Furthermore, some adaptation options can be **maladaptive** if they foreclose other options.”

IPCC 2015 Working Group II (chapter 14)

Kristie Ebi et al (2009)

> \$200 million needs (CC and health research in US)

< \$ 3 million allocated

→ Prioritise

→ Explore additional sources of funding

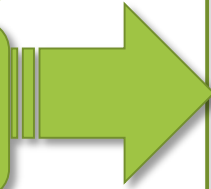
Adaptation Fund project eligibility criteria



Review Criteria

Country
Eligibility

Project
Eligibility



Resource
Availability
Eligibility of
Implementing
Entity
Implementation
Arrangements

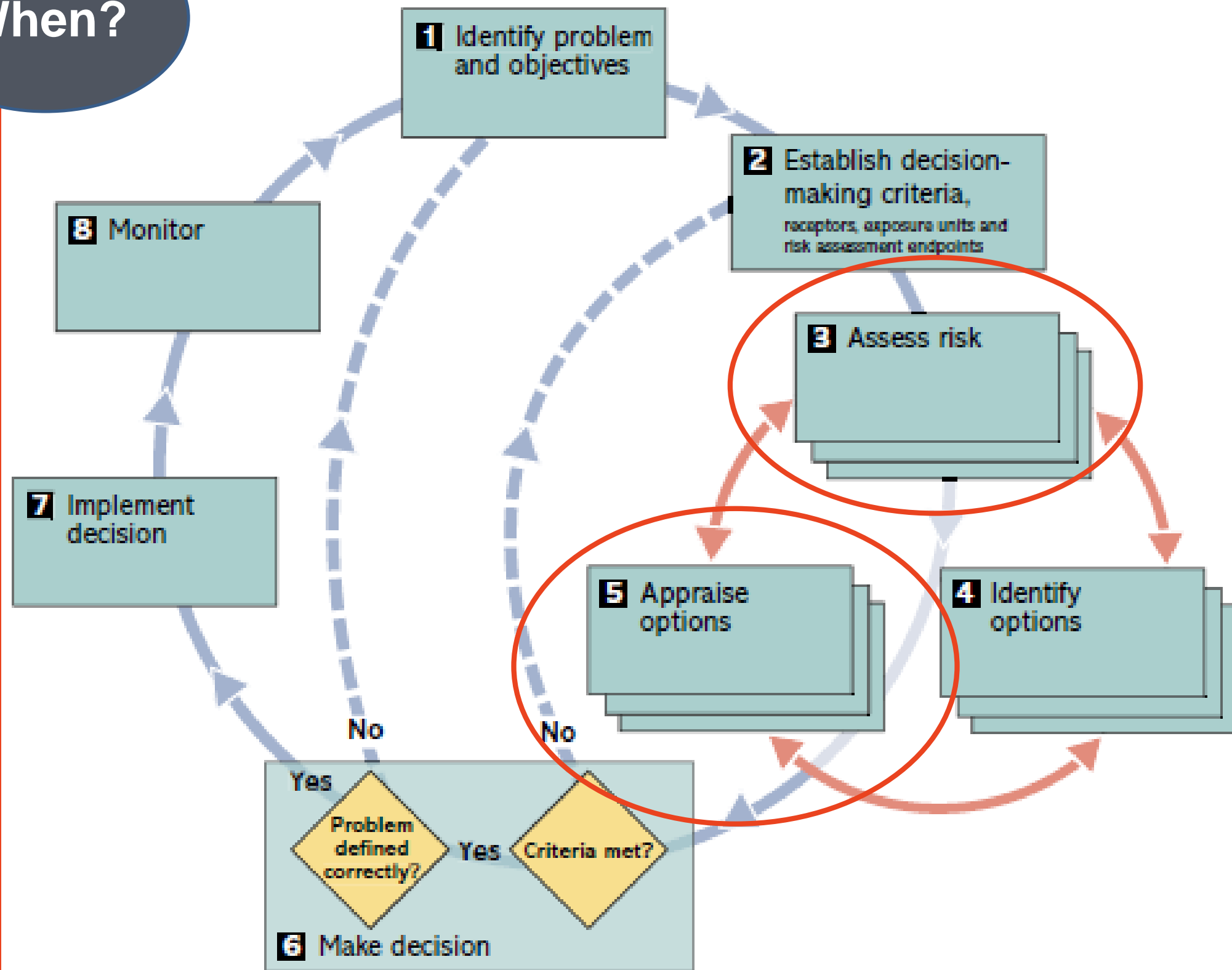
Eligibility of
Implementing
Entity

Implementation
Arrangements

- Has the **government endorsed** the project through its Designated Authority?
- Does the project support **concrete adaptation actions** to address the adverse effects of climate change and build in climate change resilience?
- Does the project provide **economic, social and environmental benefits**, with particular reference to the most vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Fund policies?
- Is the project **cost-effective**?
- Is the project **consistent with national strategies** for sustainable development, national development plans, poverty reduction strategies, national communications or adaptation programs of action, or other relevant instruments?
- Does the project meet the relevant **national technical standards**, where applicable, in compliance with the Environmental and Social Policy of the Fund?
- Is there duplication of project with **other funding sources**?
- Does the project have a **learning and knowledge** management component to capture and feedback lessons?
- Has the project provided justification for funding on the basis of full adaptation cost?
- Does the project align with the AF results framework?
- Has the **sustainability of the project outcomes** been taken into account when designing the project?
- Does the project provide an overview of **environmental and social impacts / risks** identified?



When?



Element B: Preparatory elements (2, 3, 4)

- a. Assess vulnerability to climate change at sector, subnational, national or appropriate levels (by applying applicable frameworks)
 - b. Rank climate change risks and vulnerabilities
 - c. Identify and categorize adaptation options at multiple scales to address priority vulnerabilities
-
- a. Appraise individual adaptation options, including economic, ecosystem and social costs and benefits, and possibilities for unintended (positive and negative) impacts of adaptation measures
-
- a. Aggregate sectoral and subnational adaptation priorities into national adaptation plans through stakeholder ranking processes and make the drafts available for review

Element C: Implementation strategies

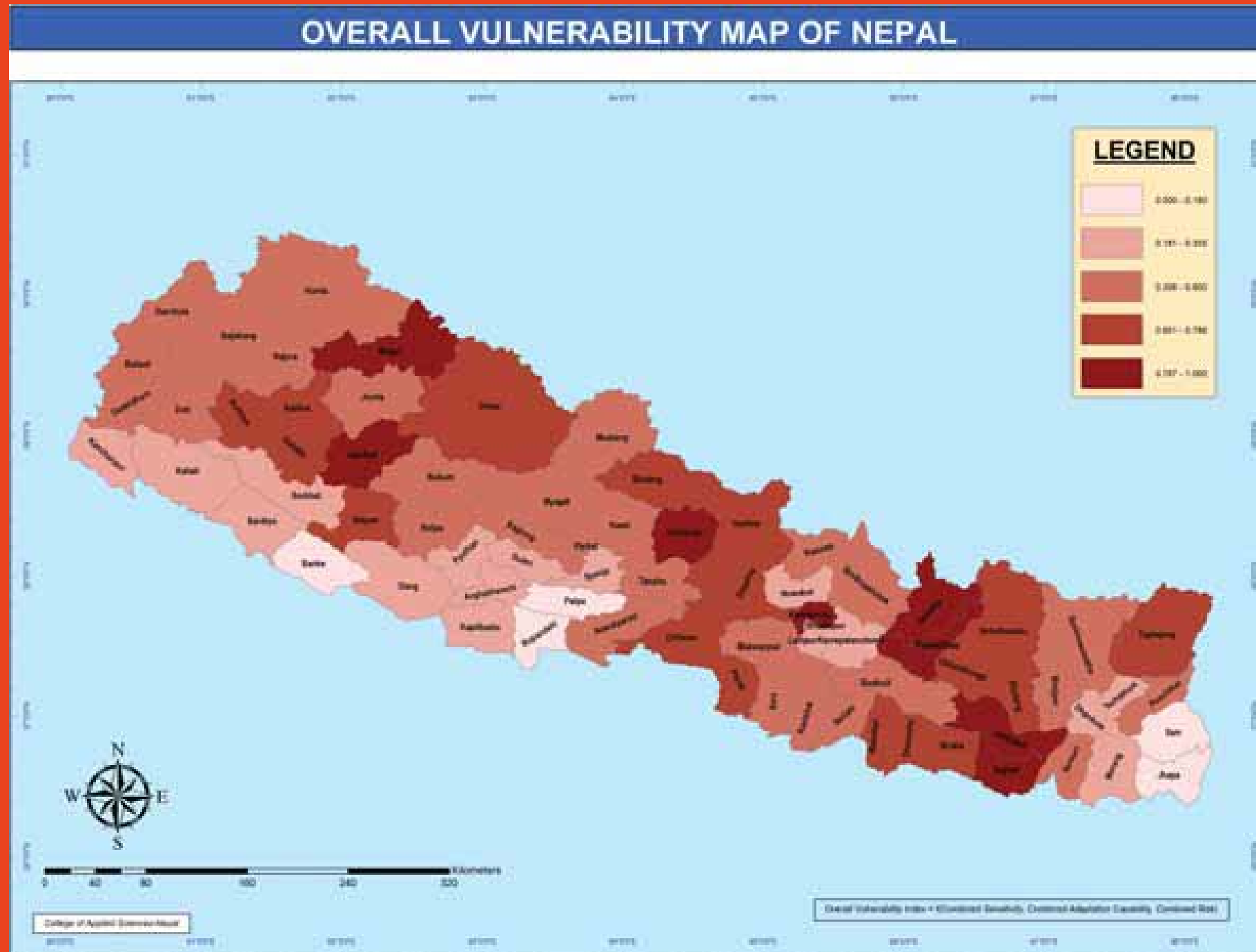
- a. Define national criteria for prioritizing implementation based on, inter alia, development needs, climate vulnerability and risk and existing plans



How?

Methods for prioritisation

- Rank climate change vulnerabilities/ risks



Govt of Nepal, 2010. Composite vulnerability map of sensitivity, exposure and adaptation capacity

Identifies districts that are highly vulnerable and therefore need adaptation interventions urgently.

Score depends on weighting of indicators within vulnerability index.



Risk ref no ⁴ .	Causal narrative		
	Cause (climate driver)	Process	Consequence
ARD56	Incremental climate change and extreme events, particularly increase in drought frequency	causes livestock morbidity (e.g. decline in growth and poor reproduction performance) and mortality,	with the consequence that rural livelihoods are threatened and face pressure to diversify their income sources, rural communities face food insecurity and associated health impacts

Kenya National Climate Change Action Plan: Adaptation Technical Analysis (2012)

Consequence scoring example (agriculture)

1: Slight losses of annual production and/or livestock covered by normal contingency allocations. Livelihood: Non-stressed. Phase 1: No Acute Food Insecurity.

5: Catastrophic losses of more than 50% of annual production and/or livestock. Livelihood: Near complete collapse. Phase 5: Catastrophe Food Insecurity

CONSEQUENCE SEVERITY	LIKELIHOOD				
	A	B	C	D	E
	Extremely unlikely	Unlikely	About as likely as not	Likely	Extremely likely
	Event not expected to occur, but possible (<5% probability of occurrence per year in 2050s)	Event unlikely to occur, but not negligible (5-33% probability of occurrence per year in 2050s)	Event less likely than not, but still appreciable chance of occurring (33-66% probability of occurrence per year in 2050s)	Event more likely to occur than not (66-95% probability of occurrence per year in 2050s)	Event highly likely to occur (>95% probability of occurrence per year in 2050s)
1					
2					
3					
4					
5					

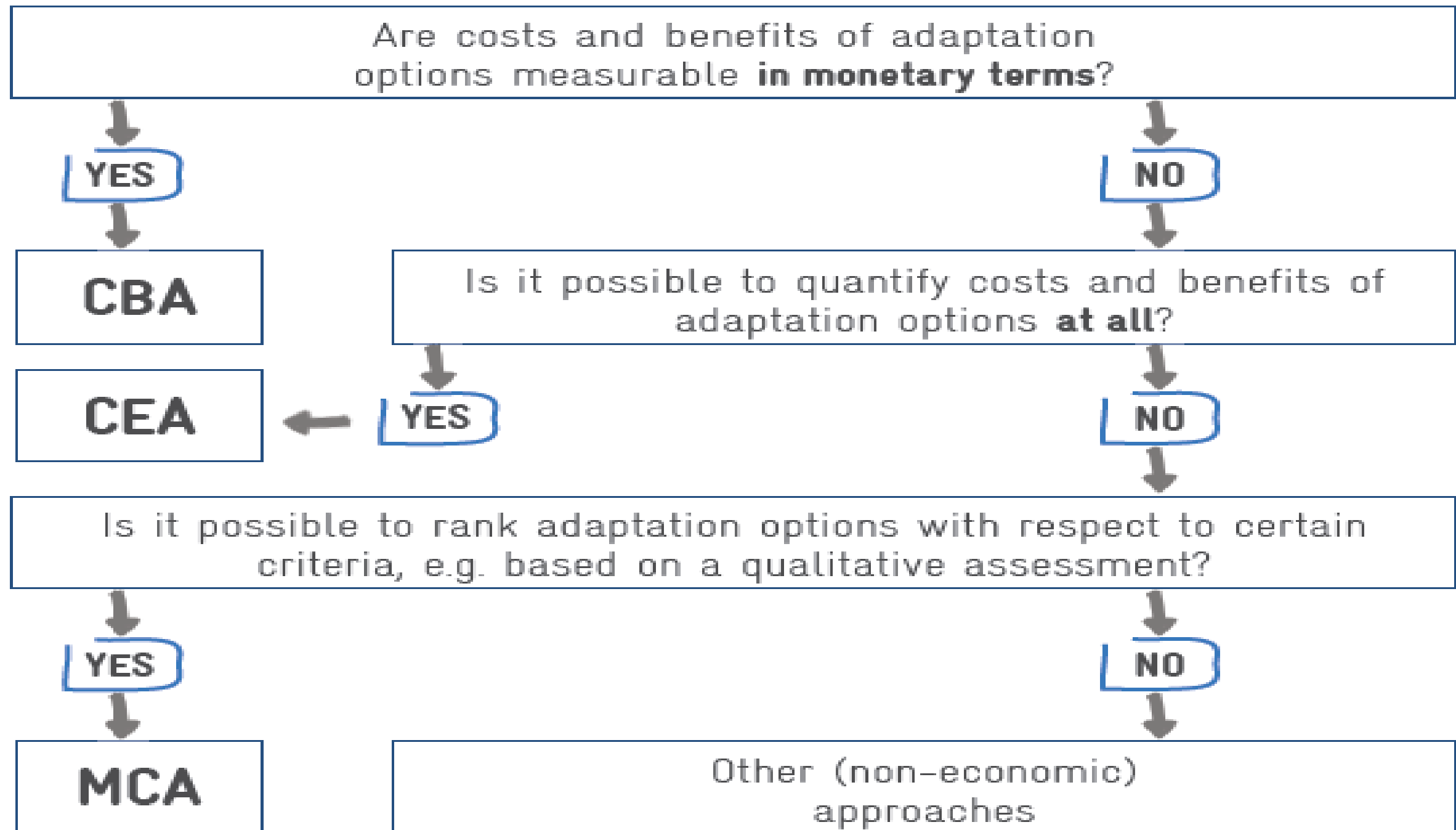


Methods for prioritising adaptation options

Group perceptions – questionnaire method	Questionnaires to obtain perceptions on priorities from different groups. Answers are scored & ranked → priority
Nominal group method	Assigns responsibility to prioritize to small group (usually experts). Group members assign decision-making criteria and score/ rank by consensus
Criteria weighting	Numerical method: assigns priority ranking to activities based on how they score against predefined criteria
Weights & indicators	Weights applied to criteria (% or fractions) based on understanding of their relative importance by stakeholders
Cost-Benefit Analysis (CBA)	Balancing the cost of interventions against their benefits (using single metric – monetary values)
Cost-Effectiveness Analysis (CEA)	Costing of different options (usually that achieve same objective); ranking to find the least costly option
Multi Criteria Analysis (MCA)	Ranking against a # of criteria (when valuation in monetary terms not possible/ appropriate)



Selecting an approach



Possible criteria for prioritization

- » Effectiveness in reducing vulnerability & increasing resilience
- » Efficiency (increasing benefits & reduce costs)
- » Equity
- » Integration with broader social goals, activities
- » Consistency with social norms & traditions
- » Legitimacy & social acceptability
- » Sustainability (environmental, institutional)
- » Flexibility (can respond to feedback & learning)
- » Avoids maladaptation
- » Robustness against wide range of climate and social scenarios
- » Resource availability (e.g. info, finance, leadership, mngt cap)
- » Transformative
- » Coherence & synergy with other objectives (e.g. mitigation)

What would be important to you?



e.g. Multi Criteria Analysis

To what extent is this measure aligned with ‘priority areas approved by the Cabinet’?	To what extent can this measure be feasibly implemented within 5 years, according to available human, tech, instit, legal, admin. resources?	To what extent is this measure transformative?	Score / Rank
3: To a great extent (directly addresses 2+ priority areas)	3: Highly feasible. Resources available.	3: Potential for replicating/ upscaling, for knowledge & learning, and contributes to enabling environment	
2: To a moderate extent (directly addresses 1 priority area)	2: Moderately feasible. Moderate resource gaps could be sourced externally.	2: Potential for replicating/ upscaling, for knowledge & learning, and/or contribution to enabling environment	
1: To a limited extent (indirectly addresses priority area(s))	1: Limited feasibility. Major resource gaps would be costly to resource externally.	1: Limited potential for types of transformation described above	
0: Not at all	0: Unfeasible.	0: No potential for replicating/ upscaling, for knowledge & learning, and/ or contribution to enabling environment.	

MCA: potential criteria for selecting projects



Countries

- Site-specific context (e.g. urgency, social acceptance)
- High-level political support and / or local priorities
- Objectives set for mitigation or adaptation planning (e.g. poverty reduction or emission reductions)
- Potential for transformational change
- Development benefits
- Cost-effectiveness
- Environmental impacts
- Ease of implementation
- Stakeholder support
- Attractiveness to funders

Funders

- Robust MRV or M&E systems
- Potential for transformational change
- Embedded in national policy
- Share of national co-financing
- Private sector leverage
- Institutional capacities of implementing entity
- Replicability
- Innovation

Reflections

- Prioritisation can occur at a variety of stages
- There are different approaches – each with pros and cons
- It is important to select a method that suits your data/ info availability and capacity
- Deciding on a sectoral, thematic and/or geographic approach is relevant
- Participation in selecting criteria & conducting ranking, validation is important
- Criteria and their weighting is significant to driving results
- Consideration of balance of national needs and access to international funds is required.



References

- Ebi et al. 2009. U.S. Funding Is Insufficient to Address the Human Health Impacts of and Public Health Responses to Climate Variability and Change.
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- Govt of Nepal (2010) NAPA Vulnerability report
- Govt of Kenya (2012) NCCAP Adaptation Technical Analysis (Risk Report)
- IPCC. 2015. Working Group II report.
- Least Developed Countries Expert Group. 2012. National Adaptation Plans. Technical guidelines for the national adaptation plan process. Bonn: UNFCCC secretariat. Bonn, Germany.
- Willows & Connell (2003) Climate adaptation: risk, uncertainty and decision-making





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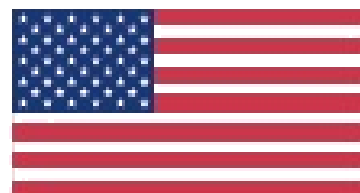
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4 corners exercise

- Four flip charts, one in each corner of the room, each with a different question on it relating to issues/ challenges associated with prioritizing adaptation activities
- Please go to one corner – splitting up from your country team members as much as possible
- Susann, Fred, Hayley, Liv as facilitators
- One rapporteur



4 questions

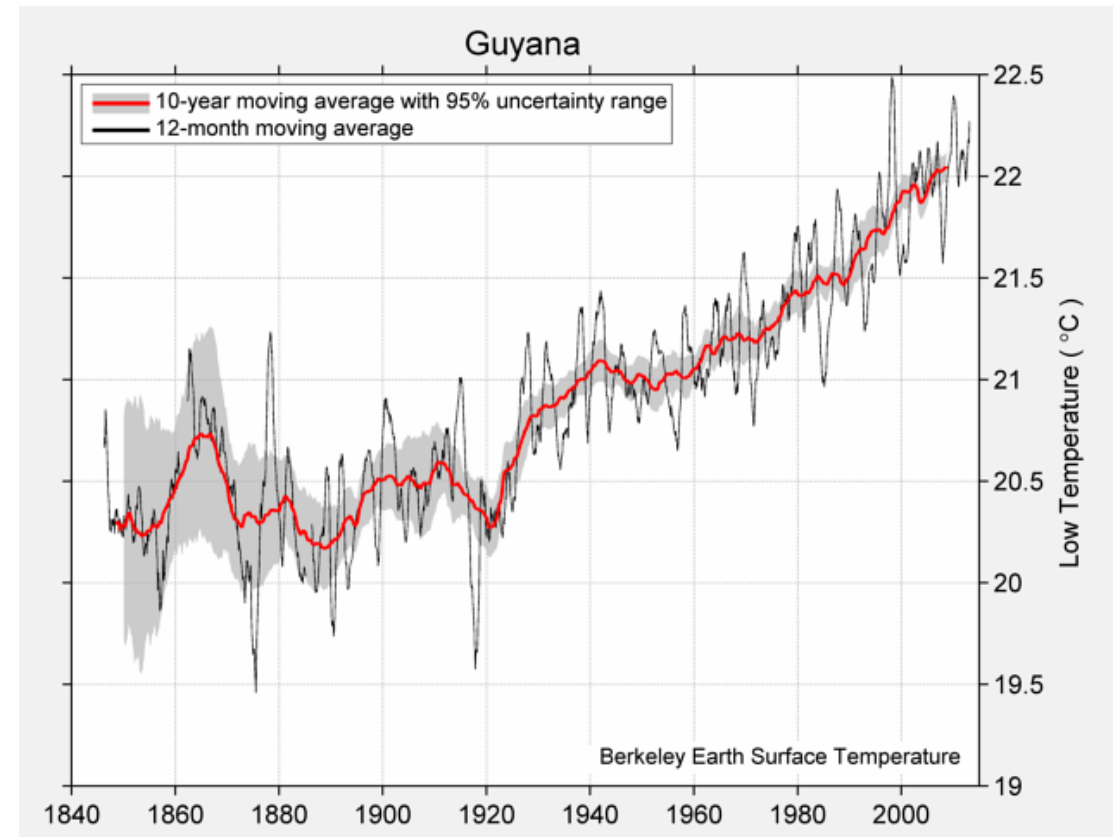
- Which actors should be involved in prioritizing adaptation activities/ actions and why?
- Which prioritization approaches are most effective and in which circumstances? (If time: What are the various advantages and challenges of the approaches discussed?)
- It is necessary for needs highlighted in climate vulnerability/ risk assessments to be addressed in prioritization of actions? If yes, how can one ensure that these needs are addressed in prioritization of actions?
- How can a country effectively balance its own priorities with those of international funds (reflected in fund project selection criteria)?



SPARE SLIDES (FOR USE IN DISCUSSION IF REQUIRED)

Key concepts: vulnerability and resilience

Climate varies
Year to year
Month to month
Daily



www.berkeleyearth.lbl.gov

Systems must be able to operate successfully in the face of this variability

Underperform and failure: system is **vulnerable** to climate variability

Cope: system is **resilient** to climate variability

Adaptation

The **process of adjustment** to actual or expected climate and its effects. In human systems, adaptation seeks to **moderate harm or exploit beneficial opportunities**. In natural systems, human intervention may facilitate adjustment to expected climate and its effects.

Incremental adaptation Adaptation actions where the central aim is to **maintain the essence and integrity of a system** or process at a given scale.

Transformational adaptation Adaptation that **changes the fundamental attributes** of a system in response to climate and its effects.

IPCC (2015 AR5 Glossary)

Resilience

The capacity of a social-ecological system to cope with a hazardous event or disturbance, responding or reorganizing in ways that **maintain its essential function, identity, and structure**, while also maintaining the capacity for adaptation, learning, and transformation (Arctic Council, 2013).

IPCC (2015 AR5 Glossary)

Climate resilience

The capacity of an individual, community or institution to **survive and recover from the effects of climate change**. It includes:

- the ability to understand potential impacts;
- to take appropriate action before, during, and after a particular consequence to minimise negative effects and;
- maintain the ability to respond to variable and changing conditions.

Adapted from Rockefeller Foundation (2009)



Cost-benefit Analysis (CBA) – Overview

= Basically the comparison of the costs and benefits of a project

Advantages

- Informs on economic viability of an adaptation option
- Allows for prioritisation between alternative adaptation options in monetary terms

Limitations

- Costs and benefits must be measureable in monetary terms



Cost-efficiency Analysis (CEA) – Overview

= Cost analysis of alternative adaptation options

Compared with CBA, only suitable where benefits cannot be defined in monetary terms

Advantages

- Give information on how an objective can be achieved in the most efficient way

Limitations

- Measurable objective required
- Costs need to be defined in monetary terms



Multi-criteria Analysis (MCA) - Overview

= Tool that is able to rank and prioritize multiple adaptation options.

Ranks resulting from an MCA are not based purely on economic calculations but on a qualitative assessment of criteria.

Advantages

- MCA allows for prioritization and helps identify trade-offs and win-win situations!
- Need to find a common indicator (e.g. scores)
 - scores can be calculated (if quantitative judgment is available)
 - or be obtained via expert consultation

Limitations

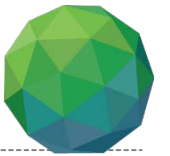
- MCA is more subjective than other methods
- MCA tells nothing about economic efficiency



Take home messages

- Adaptation options range from less to more costly!
- Ensure transparency and validate results
- Benefit from existing data and knowledge
- Do not use too sophisticated tools if data is the problem
- Make use of a proper mix of assessment tools, i.e. combine CBA and MCA
- Tools are not an end in itself but means to achieve an objective

Example I: Investment criteria of Green Climate Fund (I)



Criterion	Coverage area
Impact potential	<ul style="list-style-type: none">• Mitigation impact• Adaptation impact
Paradigm shift potential	<ul style="list-style-type: none">• Potential for scaling-up and replication and overall contribution to global low-carbon development pathways, consistent with a temperature increase of < 2 degrees• Potential for knowledge and learning• Contribution to the creation of an enabling environment• Contribution to the regulatory framework and policies• Overall contribution to climate-resilient development pathways consistent with a country's climate change adaptation strategies and plans
Sustainable development potential	<ul style="list-style-type: none">• Environmental co-benefits• Social co-benefits• Economic co-benefits• Gender-sensitive development impact

Source: GCF Decision B.07/06. Annex XIV: Initial investment framework

Example I: Investment criteria of Green Climate Fund (II)



Criterion

Coverage area

Needs of the recipient

- Vulnerability of the country
- Vulnerable groups and gender aspects
- Economic and social development level of the country and the affected population
- Absence of alternative sources of financing
- Need for strengthening institutions and implementation capacity

Country ownership

- Existence of a national climate strategy
- Coherence with existing policies
- Capacity of implementing entities, intermediaries or executing entities to deliver
- Engagement with civil society organizations and other relevant stakeholders

Efficiency and effectiveness

- Cost-effectiveness and efficiency regarding financial and non-financial aspects
- Amount of co-financing
- Programme/project financial viability and other financial indicators
- Industry best practices

Source: GCF Decision B.07/06. Annex XIV: Initial investment framework

Example III: International Climate Initiative (ICI)



Criterion	Coverage area
Thematic relevance	<ul style="list-style-type: none">• General alignment with one/more of thematic priorities of the ICI
International Relevance	<ul style="list-style-type: none">• Sustainability of outcomes and replicability of the concept and/or results• Contribution to international cooperation (e.g. UNFCCC, Montreal Protocol, CBD)
Partner country benefits	<ul style="list-style-type: none">• Contribution to the creation of enabling political conditions• Coherence with and integration into national and/or regional/transnational strategies, international cooperation and synergies with other projects/sectors• Contribution to economic and social development in the partner country• Contribution to bilateral cooperation on climate and environment
Efficiency and effectiveness	<ul style="list-style-type: none">• Solidity of the concept, quality of presentation and of the anticipated project management and monitoring• Amount of self-financing and third-party financing

Source: ICI 2015; [Information on support for projects under the International Climate Initiative \(update 2015\)](#)

Example III: International Climate Initiative (ICI)



Suitability of project

- General alignment with one/more of **thematic priorities** of the ICI
- **Transformative impact**, level of ambition, innovation potential (technological, economic, methodological, institutional)
- **Sustainability** of project outcomes and **replicability** of the concept and/or results
- Contribution to **international climate cooperation** (e.g. UNFCCC, Montreal Protocol, CBD)
- Contribution to the **creation of enabling political conditions** in the partner country
- Coherence with and **integration into national and/or regional/transnational strategies**, international cooperation and synergies with other projects and sectors
- Contribution to **economic and social development** in the partner country
- Contribution to **bilateral cooperation on climate and environment**
- **Solidity of the concept**, quality of presentation and of the **anticipated project management and monitoring**