

ADAPTATION FUND

Readiness Programme for Climate Finance

Climate Finance Readiness Seminar for NIEs #2

Implementations of Adaptation Projects

AfDB Experience

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Outline

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Bank's adaptation –related efforts

2

Managing environmental & social risks

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Challenges and Lessons Learned

4

Recommendations

How is AfDB portfolio of projects participating in increasing the current knowledge about adaptation issues and measures, as well as the national adaptation planning agenda in the countries covered?

AfDB's Climate Change Action Plan 2011-2015

Mitigation

Enhanced Investments in Renewable Energy (RE) and Energy Efficiency

Promoting Sustainable Transport

Promoting Sustainable Land & Forestry Management

Adaptation

Promoting Sustainable Land Use and Water Resources Management

Building Resilience Key Infrastructure & Urban Systems

Climate Proofing of AfDB's Projects

Financing Tools

Mobilizing
Concessionary
Resources

Catalyzing
Private
Capital

Maximizing
Market
Mechanisms

Policy reform & knowledge
generation/competency building



Adaptation pillar

Focuses mainly on:

- Improving agricultural productivity and food security
- Enhancing rural incomes and livelihood portfolios
- Sustainable management of forest and other natural resources
- Improving supply of water resources

In the past 3 years, the Bank invested USD 6.51 billion in climate finance for about 80 climate-resilient and 87 low-carbon development projects . The value of the 80 adaptation **projects** is USD 1,53 billion

How have environmental and social risks (and risks generally) been managed and monitored by AfDB?

Climate Safeguard System (CSS)

AfDB is applying the CSS to screen all Bank investments in the energy, transport, agriculture, water and sanitation in Africa and is aware of the need for:

- climate-proofing projects in Africa **to reduce investment risks, climate-related health and mortality issues and to promote climate adaptation.**
- **Taking the leadership initiative consistent with its TYS**
- Focusing more on **enhancing readiness and capacity** for climate-resilient development in Africa.
- **Exploring ADDITIONAL FINANCE** to improve the **resilience of projects to CLIMATE RISK** and improve access of RMCs to adaptation finance

CSS comprises 4 modules

Climate Change
Action Plan

Climate Safeguards System (CSS)

Climate Screening

Adaptation Review
and Evaluation

Country Adaptation
Factsheets

Knowledge Base

- **Climate Screening:** Assess vulnerability and categorize
- **Adaptation Review & Evaluation Procedures (AREP)**
- **Country Adaptation Factsheets (CAFSs):** mainstream climate change at strategic level
- **Knowledge Base:** Link to relevant climate data and information



Capacity development

- Implementation of capacity development programs to ensure climate-resilient projects
- Training of Task Managers (climate champions)
- Follow-up training of Bank staff and RMCs from June to August, 2015 in Pretoria (Southern), Gabon (Central, Tunis and Western Francophone) Kenya (Eastern, Egypt and Western Anglophones).

Monitoring and Evaluation Framework (M&E)

- To provide an **effective means** of tracking, assessing, correcting, and reporting on Bank programmes and projects, to ensure that CCAP results are achieved;
- **Assess impact** of the Bank's efforts to promote adaptation and low-carbon dev
- To assess progress of the Bank's projects and their contribution to achieving development agenda
- **To provide results-based guidance** for the planning and implementation of climate change-related operations.
- To provide **clear and harmonized indicators and targets** for the measurement of Bank's actions and;
- To make available **reliable data and related tools & methodologies.**

Lessons learned during the implementation

Lessons learned

- ❑ **How the Bank has positioned itself to deliver on the Action Plan**
 - Partnership and coordination
 - knowledge management
- **Addressing the complexity of CC for Africa's development**
 - Better understanding of the impacts of, vulnerability to, adaptation to and mitigation of climate change.
 - Capacity development,

Lessons learned

■ Getting the Bank ready to deliver on the CC Action Plan

- Creation of CCCC as a coordinating mechanism has provided leadership, fostered collaboration across the different depts.
- Capacity development through specialised and well- customized training programme to augment staff capacity
- Participation in the CIFs, GEF and other facilities has generated a wealth of knowledge relevant for the Action Plan



Lessons learned

1. Getting the RMCs ready to address climate change

- Bank's knowledge work, partnership and leadership on regional and international events draw attention to climate issues in Africa
- Creating regional awareness about the need for capacity building, knowledge generation, technology transfer, and finance for improving adaptive capacity in Africa
- Timely knowledge products, policy advice, and capacity enhancement are essential elements for helping RMCs

Challenges

- **Several challenges have been associated with the implementation of the CCAP, some related to**
 - **The African context**
 - **Internal to the Bank's own institutional processes**

Challenges related to the African context

- The depth of uncertainty surrounding climate change in RMCs, especially the uncertainty related to the magnitude and frequency of climate risks
- Low institutional, technical, managerial and financial capacities in RMCs to design and implement national climate policy strategies.
- The increase in capacity in the Bank over the years has not been matched by increased capacity in RMCs.

Challenges related to the Bank's own institutional processes

- The Bank's own overly long processing schedules for developing projects;
- Challenges with project-level integration of climate risks and usability of climate-related assessments for project design and implementation;
- Challenges on how to leverage private sector participation, especially for adaptation projects;



**What advice would you pass
onto NIEs currently
implementing or designing AF
projects?**

Creating the supportive environment (1)

■ Policy and Institutional reforms

- To provide clear strategic direction and legitimacy

Knowledge Generation and Capacity Development

- Produced knowledge products and advocacy materials on climate financing, adaptation & Low Carbon Development
- Organized many capacity development initiatives
- Developed a number of innovative tools to support mainstreaming climate change into national policies and projects



Creating the supportive environment (2)

■ Partnership and International Cooperation

- A tool for leveraging the Bank's influence and reach, the Bank has strengthened its partnership with new and existing global actors such as the UN agencies, political bodies, other MDBs, etc.
- Partnerships for Africa's participation at UNFCCC, UNCSD meetings .

■ Communication and Outreach

- Organization of events to support Africa's agenda and interests in the international climate policy arena;
- Over 100 events hosted under the Africa Pavilion during COP 17 in Durban, South Africa;
- Commitment to continue to draw global attention to issues important for Africa.



Key Recommendations

- Increase RMCs' access to climate finance and mobilise additional resources;
- Provide technical leadership on new and innovative financing sources for climate change adaptation and mitigation;
- Expand and scale up the Bank's efforts on climate change adaptation
- Continue to foster partnerships and cooperation with international partners, governments, private sector and civil society.
- Build on on-going knowledge work
- Enhance staff capacity on the implementation of the M&E framework.

Thank you !!!

