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Deutsches Institut für
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Expert Workshop on Adaptation to Climate Change 2012

Requirements for and challenges of financing adaptation to climate change through programme-based approaches

22 October 2012

Expert Workshop on Adaptation to Climate Change

The expert workshop on adaptation to climate change is organized by the department Environmental Policy and Natural Resource Management of the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) in cooperation with the German Ministry of Economic Cooperation and Development (BMZ) and its implementing organizations KfW and GIZ. The expert workshop aims to discuss current developments and challenges in the field of adaptation to climate change. It takes place annually since 2009.

Requirements for and challenges of financing adaptation to climate change through programme-based approaches

Date: Monday, 22 October 2012
Time: 10 a. m. – 5 p. m.
Venue: German Development Institute/ Deutsches Institut für Entwicklungspolitik (DIE)
Tulpenfeld 6, 53113 Bonn

Contact: Britta.Horstmann@die-gdi.de; ++49-228/ 94927-208
Isabel.vandeSand@die-gdi.de
Elke.Herrfahrdt@die-gdi.de

Workshop Background:

Propositions and goals for financing adaptation to climate change (CCA):

1. It is necessary to integrate climate and development finance in order to reduce/avoid fragmentation.
2. There is a need for an integrated approach at the national level. An integrated approach shall lead to a maximum extent of policy coherence in and between sectors. Adaptation finance shall contribute to national development, as defined for example in strategy papers like Poverty Reduction Strategy Papers (PRSPs) or National Adaptation Plans (NAPs), and shall adequately consider the subsidiarity principle according to the country context.
3. There is a need to use country systems and institutions for channeling funds.
4. There is a need to keep transaction costs at a minimum level. Adaptation finance shall be efficient and effective.
5. There is a need to support adaptation activities in a variety of sectors and at various scales, financially as well as geographically. Adaptation activities shall particularly target the most vulnerable.
6. There is a need and demand to upscale financial support for adaptation activities.
7. CCA financing needs to be transparent, monitored and evaluated.
8. CCA finance shall increase adaptive capacities, including governance capacities.

Programme-based approaches are seen as one possibility of addressing some of these challenges. However, to date, there is little practical experience with programmatic funding approaches in the field of adaptation to climate change:

Practical experience of adaptation finance

9. To date, financing for activities on adaptation to climate change has mainly taken place on a project based approach.
10. The Adaptation Fund, for example, aims to prioritize programme-based funding proposals where appropriate.

Overall goals and envisaged results of the workshop:

Against this background and with regard to the challenges and goals of adaptation finance the workshop aims to

- Generate an answer to the question whether programme-based approaches (PBA) should be followed-up as one means of adaptation finance in German Development Cooperation
- Discuss and identify goals, criteria and requirements of PB-CCA financing
- Discuss and identify challenges of PB-CCA financing
- Discuss and identify follow-up procedure and next steps

Programme

| Time | Topic / Format / Presenter |
|-------|---|
| 10:00 | Registration and coffee |
| 10:30 | Welcome and introduction Gottfried von Gemmingen (BMZ) Ines Dombrowsky (DIE) |
| 10:40 | I. Goals of financing CCA through PBAs PBAs: an overview of goals, modalities, and requirements Stephan Klingebiel (DIE) / Stefan Leiderer (DIE) Financing CCA through PBAs: Why, when and what for? Discussion in small groups, Feedback to the audience |
| 11:30 | II. Political context Designing NAPs – current debate and targets Nana Künkel (GIZ) |
| 12:00 | III. Practical examples Requirements for financing adaptation programmes through multilateral funds: the example of the PPCR Andrea Kutter (World Bank) "Bringing Climate Change Financing to the Local Level: Concepts and First Experiences". Klaus Veigel (KfW) Questions and reflections by the audience |
| Time | Topic / Format / Presenter |
| 13:00 | Lunch |
| 14:00 | IV. Adaptive capacity in PBAs What is adaptive capacity and how to increase it through PBAs? Isabel van de Sand, Britta Horstmann, Elke Herrfahrdt (DIE) Questions and reflections by the audience |
| 14:45 | Coffee Break |
| 15:00 | V. Challenges and requirements for using PBAs in CCA financing |

Discussion in small groups, Feedback to the audience

Final discussion of group results and next steps

17:00 End of workshop