

# Climate resilience through the project cycle -EIB's experience to date

JRC workshop– Climate resilient development  
25 March 2015  
Stefanie Lindenberg

## **EIB activities - Overview**

- 1. Financing**
- 2. Tracking finance**
- 3. Screening for climate risks**
- 4. Indicators?**
- 5. Knowledge exchange**

## Financing

- Total Climate Action (mitig. + adapt.) finance  
2014: 19 bn (2013: 18,9bn)
- Total Adaptation finance 2014: 398 m (2013:  
1,189bn)
- Total Climate Action (mitig + adapt.) non-EU  
2014: 2,3 bn (2013: 2,1bn )
- Total Adaptation finance outside the EU  
2014: 53m (2013: 98m )



## Examples of adaptation projects 2013/2014

### Adaptation: primary or major objective

- **Venzia Sistema Mose -288m** (50%) (construction of mobile flood gates)
- **Caribbean Development Bank** (100%)
- **Afforestation and Erosion Control, Turkey – 75m** (50%) (afforestation and erosion control)

### Adaptation: secondary objective

- **Fruit Garden, Moldova – 16m** (13%) (projects along value chain of horticultural sector)
- **Watsan-Mwanza, Tanzania – 45m** (increase access to water and sanitation)
- **Dhaka sustainable water supply, Bangladesh – 15m** (15%) (upgrade of water supply)

# Tracking Finance – Climate Adaptation - Joint MDB Methodology-

1. **Purpose, context and activity based:** A project activity must fulfil 3 design process criteria for finance to be reported.

It must:

- Include a statement **of purpose or intent** to address or improve climate resilience in order to differentiate between adaptation to current and future climate change and good development;
- Set out a **context of climate vulnerability** (climate data, exposure and sensitivity), considering both the impacts from climate change as well as climate variability related risks;
- **Link project activities to the context of climate vulnerability** (e.g., socio-economic conditions and geographical location), reflecting only direct contributions to climate resilience.

## Tracking Finance – Climate Adaptation - Joint MDB Methodology-

### 2. Follows a conservative approach:

- Reports only those **components/proportions of a project** that provide mitigation and/or adaptation benefits
- Aims at **preventing the mislabelling** of development activities as adaptation
- Activities that do not explicitly **meet all of the 3 above criteria** are not included in reporting

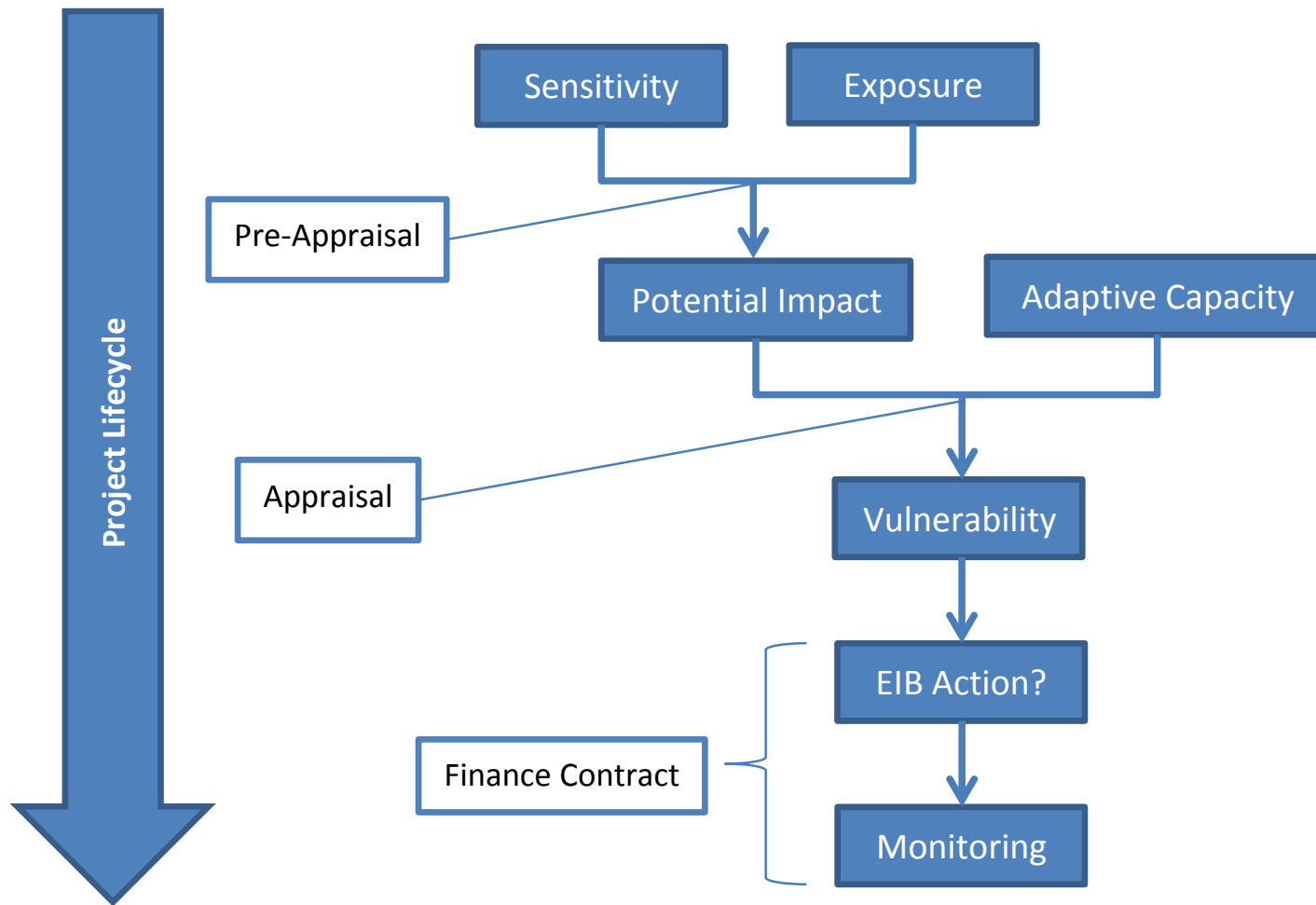
### 3. Project activities should reflect at least one of the following adaptation categories:

- **Addressing current drivers of climate vulnerability** especially in poorest countries or communities;
- **Building resilience** to current and future climate risks;
- **Incorporating considerations of climate risks** into investments especially for infrastructure with a long lifespan;
- **Incorporating management of climate risk** into plans, institutions and policies.

## Screening for climate risks - Climate Risk Assessment Tool -

- First/second pilot phase completed. Launch in 2015
- Objective: screen all incoming projects for climate risks – ensure portfolio is climate resilient; identify opportunities for building resilience into project; addressing vulnerability
- Builds on methodology developed in EU Adaptation Strategy (2013)

# Logic of tool







# Sector specific sensitivity and exposure matrixes

<b>Step 1: Select this cell</b>			
<b>Step 2: preliminary questions</b>		<b>Answer</b>	
Is the project located near sea/ocean?		Yes	<b>Step 3: reveal resources</b>
Is the project agricultural, or does it rely on agricultural inputs?		Yes	<b>Step 4: check exposure</b>
Is the project located in an urban environment?		Yes	<b>Step 5: record</b>
Is the project area likely to experience snow?		Yes	<b>Step 6: repeat</b>
			<b>Step 7: final output</b>

Climate Risk	MATRIX				Follow Up?	Comment box
	1) On-site Assets and Processes	2) Inputs	3) Outcome	4) Network & Network Infrastructure		
1) Average air <b>temperature</b> change (annual / seasonal / monthly)	3	2	2	3		
2) Extreme (air) <b>temperature</b> change (frequency and magnitude)						
3) Average <b>rainfall</b> change (annual / seasonal / monthly)	1	1	1			
4) Extreme <b>rainfall</b> change (frequency and magnitude)						
5) Average <b>wind</b> speed change (annual / seasonal / monthly)						
6) Extreme <b>wind</b> speed change (frequency and magnitude)						
7) Humidity						
8) Solar radiation						
9) Sea level rise (SLR) (plus local land movements)						
10) Sea/ water temperatures						
11) Water availability						
12) Storm (tracks and intensity) including storm surge						
13) River Flood						
14) Ocean pH						
15) Dust Storms						
16) Coastal erosion						
17) Soil erosion						
18) Soil quality						
19) Wild fire						
20) Air quality						
21) Ground instability/ landslides/avalanche						
22) Urban heat island effect						
23) Growing season length						
24) Snow						
25) Urban flood						



## Indicators...

- Process or outcome-based?
- Long-term financing – how to assess success at early stages?
- How to quantify reductions in vulnerability?
- How to measure results of «soft» or «procedural» adaptation (e.g. emergency planning)?



## Knowledge exchange - adaptation

- **EU Financing Institutions Working Group on Adaptation to Climate Change (EUFIWACC)**
  - First meeting in February 2010 in Luxembourg
  - Current members: EC, AFD, CEB, EBRD, EIB, KFW
- **MDB Adaptation Working Group**
- **IFI Working Group** on climate risk screening & management
- **Blending Facility TG 7**
- **EIB – DG CLIMA exchanges**