

# Support to **Ihobe**, the Basque Environment Agency

C4T  
Community  
of Practice



Figure 1: Map of the Basque Country

**Ihobe, the Basque Environment Agency** was awarded a C4T GROUNDWORK TA assignment as part of the first call for applications of this technical assistance programme. The assignment started in September 2023 and was completed in April 2024.

**C4T GROUNDWORK** was launched by the European Commission, DG REGIO, to support the implementation of sustainability transitions investments funded by ERDF and CF, under Policy Objective 2 (PO2) “A greener, low carbon transitioning towards a net zero carbon economy”.

C4T GROUNDWORK provides eligible regions with tailor-made capacity building and advisory support covering areas such as the energy transition, circular economy, water management, climate adaptation or biodiversity.

The Basque Country expects significant impacts from climate change and has conducted multiple analyses to assess the region's vulnerability, identifying rising sea levels, river flooding, heat waves, and droughts in the primary sector as the main risks for the region<sup>1</sup>. Over the last two decades, the Basque Government has taken action by promoting strategies, plans, laws, and by supporting local and regional climate actions aimed at reducing greenhouse gases emissions and adapting to climate change. In 2024, the Basque

Energy Transition and Climate Change Law was passed in the Basque Parliament. The law sets out a climate change adaptation objective which focuses on increasing the resilience of the territory to climate change and take advantage of the social, business and economic opportunities offered by the energy transition. The Basque Country now requires an effective and efficient implementation of adaptation measures, aimed at efficiently reducing (economic) cost of climate change impacts on the region.

For this, a strategy for a more targeted allocation of Cohesion Fund resources in climate adaptation, aimed at efficiently reducing the (economic) costs of climate change impacts on the region is necessary. The objective is to identify the areas in which ERDF and Cohesion Funds can be used for adaptation measures most effectively and efficiently for reducing the expected economic and social costs of climate change through an assessment of costs associated with climate change in different sectors and of how to reduce the costs of climate change through active adaptation efforts.

The C4T GROUNDWORK Technical Assistance provided support to Ihobe on this strategy by focusing on 2 workstreams:

- **Workstream 1:** How to assess the cost of inaction of climate change and prioritise climate adaptation projects
- **Workstream 2:** Benchmarking of relevant climate-adaptation projects in comparable EU regions

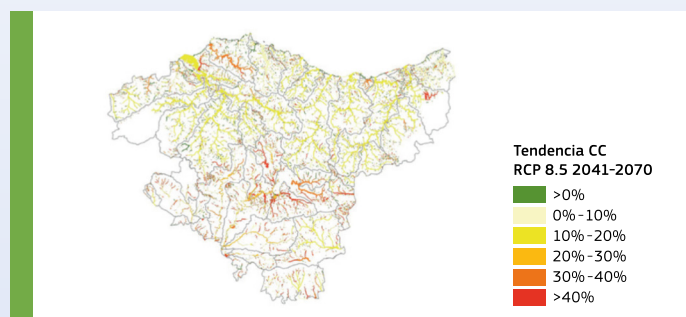


Figure 2: Climate change trend observed in the pluvial flood phenomenon for a 25-year return period. – Source: Gobierno Vasco (2023)<sup>2</sup>

<sup>1</sup> Gobierno Vasco. (2015). Climate change strategy of the Basque Country to 2050. Klima 2050. Administration of the Basque Country Autonomous Community. Department of Environment and Territorial Policy. [https://www.euskadi.eus/contenidos/documentacion/klima2050/en\\_def/adjuntos/KLIMA2050\\_en.pdf](https://www.euskadi.eus/contenidos/documentacion/klima2050/en_def/adjuntos/KLIMA2050_en.pdf)

<sup>2</sup> Gobierno Vasco. (2023). Inundación pluvial asociada a eventos extremos de precipitación en escenarios de cambio climático en Euskadi. Ihobe, Basque Environment Agency, Department of Economic Development, Sustainability and Environment, Basque Government. <https://www.ihobe.eus/publicaciones/inundacion-pluvial-asociada-a-eventos-extremos-precipitacion-en-escenarios-cambio-climatico-en-euskadi>



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## Workstream 2 – Benchmarking of relevant climate-adaptation projects in comparable EU regions

The second part of the assistance to Ihobe consisted of case studies of climate adaptation projects across Europe, many of which were funded through Cohesion Policy, that have a benchmarking capability and entail a potential for replication in the Basque Country.

In close cooperation with Ihobe, the C4T team selected four European climate adaptation projects that target climate risks faced by the Basque Country (river flooding, droughts & flooding in agriculture, climate-proofing investments, coastal erosion, and water scarcity). These case studies were based on desk research as well as interviews with the project managers and analysed for their innovative elements as well as the potential for transferability to the Basque Country.

Based on this assessment, the C4T team provided Ihobe with a number of recommendations for elements of the case study projects that are transferable and/or replicable, differentiating between the potential application of technical solutions in the Basque Country, and the potential application of methodological approaches to increase climate resilience in the Basque Country.

## Workstream 1 – How to assess the cost of inaction of climate change and prioritise climate adaptation projects

This first and larger part of the assistance focused on the assessment of methodologies and approaches to estimate the costs of climate change under inaction (i.e. without climate adaptation) as well as the potential of reducing these costs through climate adaptation measures funded under Cohesion Policy. The C4T team conducted a literature review resulting in an overview over the potential methodological approaches for the calculation of such costs and the strategies for identifying and prioritising adaptation measures accordingly. This included top-down and bottom-up cost estimations, sectoral or risk-specific focuses, different economic models, quantitative vs. qualitative assessments, and more.

Through this exercise, the C4T team identified and presented to Ihobe 18 studies from all over Europe that included such cost estimation. Complemented by interviews with leading researchers in the field, the C4T team assessed these approaches for their respective advantages and disadvantages within the Basque context.

This assessment was used to provide Ihobe with a set of key recommendations on how to effectively conduct a cost estimation study for the impact of climate change and for the selection and prioritisation of climate adaptation projects, in turn allowing for a more effective implementation of Cohesion Policy funding for climate adaptation. The recommendations included aspects for the broader contextualisation of such a study, including steps and options for setting the most usable objectives and terminology (e.g. monetary, quantitative, qualitative). Moreover, the recommendations entailed a set of methodological recommendations as well as the various factors that should be considered in such a study, including co-benefits and adaptation pathways.

These recommendations are being used by Ihobe in designing an upcoming study in which the costs of climate change are estimated, and climate adaptation measures are identified and assessed regarding their potential to reduce the costs of climate change. This study will support the Basque Country in targeting Cohesion Policy funding to climate adaptation projects with the most impact in reducing the expected costs of climate change.

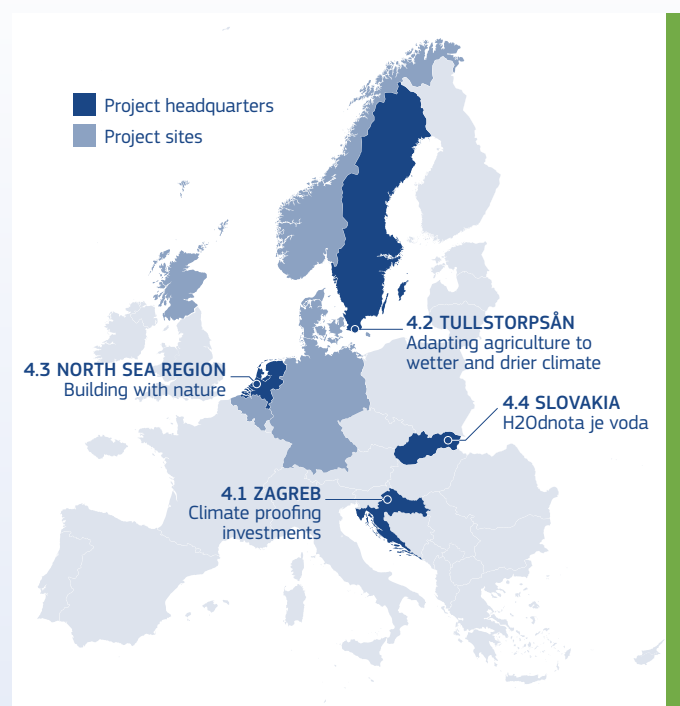


Figure 3: Map of case studies

**“The support we have received from the C4T Groundwork has allowed us to obtain a solid basis on which to work in order to achieve a proactive and targeted climate adaptation in the Basque Country, in terms of action and funding.”**



Alexander Boto Bastegieta (General director of Ihobe)