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# **Capacity Building Programme on the Economics of Climate Change Adaptation (ECCA)**

**P-CBA Planning Meeting**

**Robert Dobias, USAID ADAPT Asia-Pacific**

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**Suva, Fiji**



*Empowered lives.  
Resilient nations.*



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## The Finance Challenge

Despite a growing volume and variety of resources, developing countries face **three key challenges to climate finance readiness:**

- **Uneven resources:** climate finance is not evenly spread creating barriers to access, particularly for smaller countries
- **Need to catalyze private finance:** public finance alone is insufficient to meet demands of climate challenge, and so must catalyze private finance
- **Limited alignment between climate and development:** to drive an economy-wide transformation in production and consumption, climate finance must be mainstreamed into planning and development policy



## The Response

- **Strengthen national capacities** to navigate this complex landscape and support the access and delivery of different forms of finance.
- **Develop an enabling environment** that redirects existing public investments and provides the incentives for private finance to invest in low-emission and climate-resilient activities.
- **Adequately embed climate finance** within and alongside national development planning.



## Climate Finance Readiness Challenge

*The capacities of countries to **plan for, access, deliver, and monitor and report** on climate finance, both international and domestic, in ways that are catalytic and fully integrated with national development priorities.*



## **D. Reporting, Monitoring and Review**

1. Monitoring the NAP process
2. Reviewing the NAP process to assess progress, effectiveness and gaps
3. Iteratively updating the national adaptation plans
4. Outreach on the NAP process and reporting on progress and effectiveness

## **A. Laying the groundwork and addressing gaps**

1. Initiating and launching of the NAP process
2. Stocktaking: identifying available information on climate change impacts, vulnerability and adaptation and assessing gaps and needs of the enabling environment for the NAP process
3. Addressing capacity gaps and weaknesses in undertaking the NAP process
4. Comprehensively and iteratively assessing development needs and climate vulnerabilities

# **NAP process**

## **C. Implementation Strategy**

1. Prioritizing climate change adaptation in national planning
2. Developing a (long-term) national adaptation implementation strategy
3. Enhancing capacity for planning and implementing adaptation
4. Promoting coordination and synergy at the regional level and with other multilateral environmental agreements

## **B. Preparatory Elements**

1. Analyzing current climate and future climate change scenarios
2. Assessing climate vulnerabilities and identifying adaptation options at the sector, subnational, national and other appropriate levels
3. Reviewing and appraising adaptation options
4. Compiling and communicating national adaptation plans
5. Integrating climate change adaptation into national and subnational development and sectoral planning

Decision-makers grapple with the following questions:

- What is adaptation?
- Planned/Autonomous Adaptation? Public/Private Adaptation?

	Public Sector	Private Sector <i>(including individuals, firms)</i>
Planned Adaptation	<i>Legislation, Standards, public finance</i>	<i>Government Creates Enabling Conditions</i>
Autonomous Adaptation	<i>(domestic/external) Legislation, Standards, etc</i>	<i>Market Forces; Government interventions on equity/fairness grounds</i>

- What is the objective of adaptation from an economics perspective?  
*Maximize net benefits (benefits minus costs) given changed local climate*
- What should be done?
- When should they occur?
- Where should they be done?

# Capacity Building Programme on the Economics of Climate Change Adaptation (ECCA)

ECCA provides skills training on using microeconomic tools for assessing adaptation options, to ensure sustainable and economically-efficient development planning.

- Cost-benefit analysis
- Climate impact modeling (agriculture and water sectors)

These skills will be integral to the upcoming National Adaptation Plan (NAP) process - established under the [Cancun Adaptation Framework](#) (CAF) to help countries identify their medium- and long-term adaptation needs.

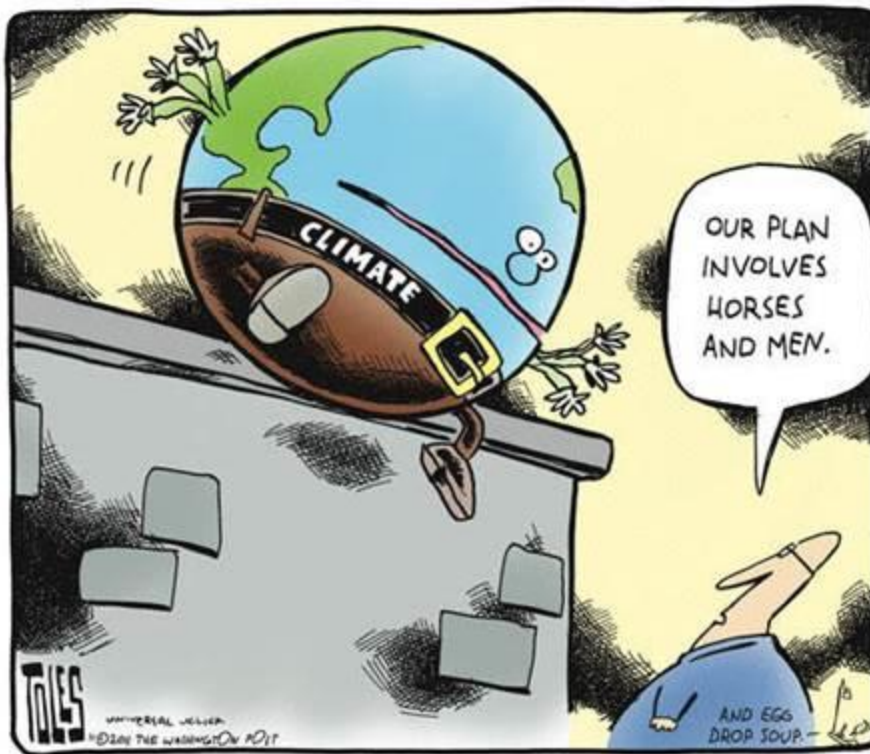
Especially the preparatory element and implementation strategy.





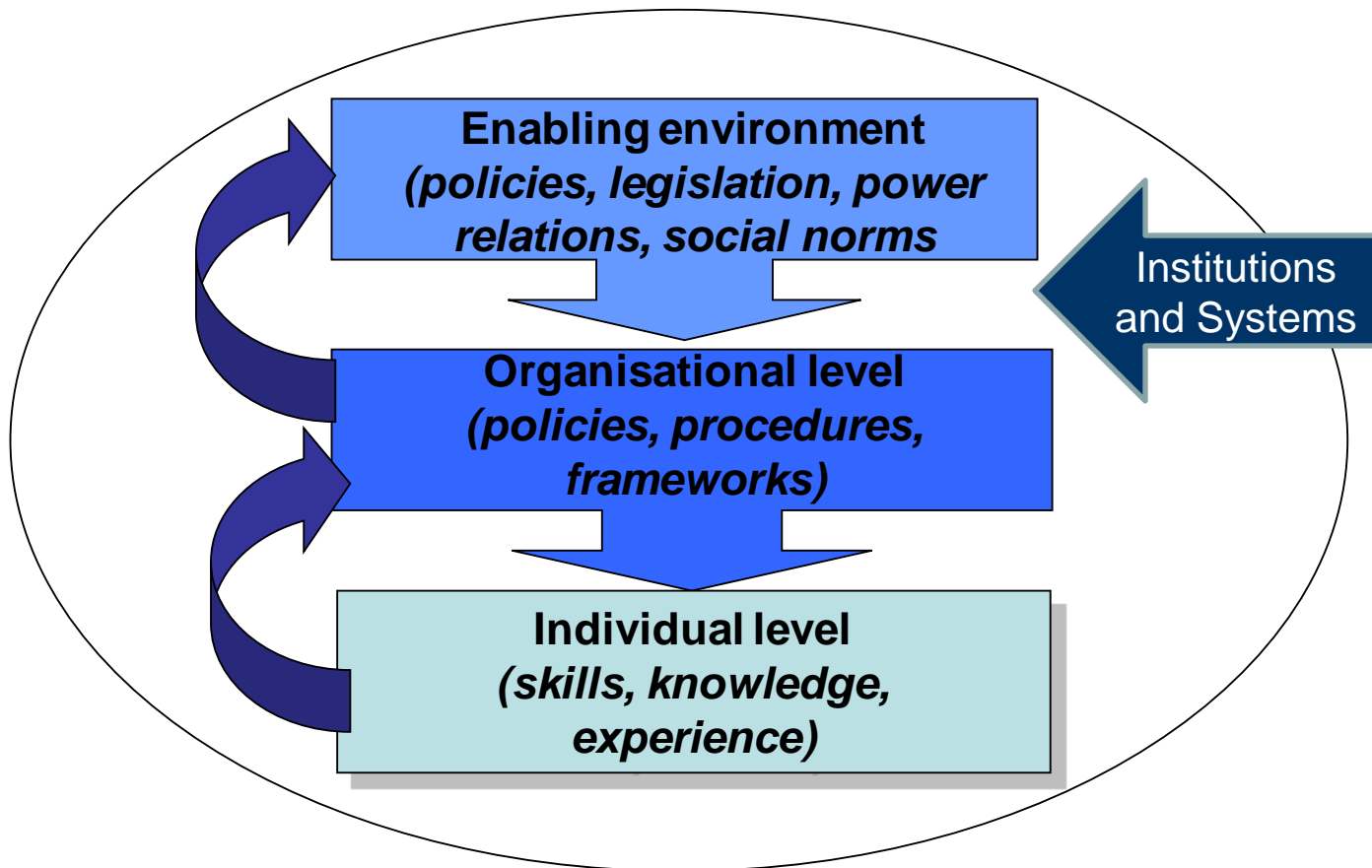
## Institutionalizing Skills into Planning and Line Ministries

By the end of 2014, the analysis prepared by the ECCA Country Teams will be presented to policy makers, to promote the use of economic analysis in planning and to institutionalize the skills acquired through the programme.



**Success of the Programme will hinge on its ability to institutionalize these analytical skills into Ministries and Departments involved in planning.**

## A Systems Approach to Capacity Development



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"Does 'high-rise' refer to the building or the budget?"

## Institutionalizing Skills of Economic Analysis for Cost-effective Adaptation Planning

- Systems for countries to access climate data and information
- Expansion of programme to other sectors

## Beyond the Programme

- Development of university curriculum



## Current Programme:

**Asia:** Bangladesh, Cambodia, Indonesia, Lao PDR, Maldives, Mongolia, Nepal, Philippines, Sri Lanka, Thailand, Viet Nam

**Africa:** Burkina Faso, Ethiopia, Gambia, Liberia, Mali, Malawi, Rwanda, Sao Tome & Principe, Sierra Leone, Sudan, Tanzania, Uganda, Zambia

