

EUFIWACC guidance: Integrating climate resilience into project development and implementation

JASPERS Networking Platform: Climate Change Adaptation Event
Brussels, 7th June 2016



European Bank
for Reconstruction and Development

What is the guidance and why is it needed?

- **Adaptation finance is being scaled up**
 - In 2015 EBRD signed 31 adaptation deals (total value of €1.1 bn)
 - COP21 Paris commitments mean going much further
 - *EBRD Green Economy Transition Approach*
- **Technical expertise on adaptation is a limiting factor**
 - Consultancy services market is responding slowly – limited capacity
 - Limited number of specialised staff within financing institutions
- **Knowledge product needed to avoid ‘reinventing the wheel’**
- **Demand for guidance on how to tackle adaptation in investment projects**

Who has developed the guidance?

European Financing Institutions Working Group on Adaptation to Climate Change (EUFIWACC)

- Agence Française de Développement
- Council of Europe Development Bank
- European Bank for Reconstruction & Development
- European Commission – Directorate-General for Climate Action
- European Investment Bank
- KfW Development Bank
- Nordic Investment Bank

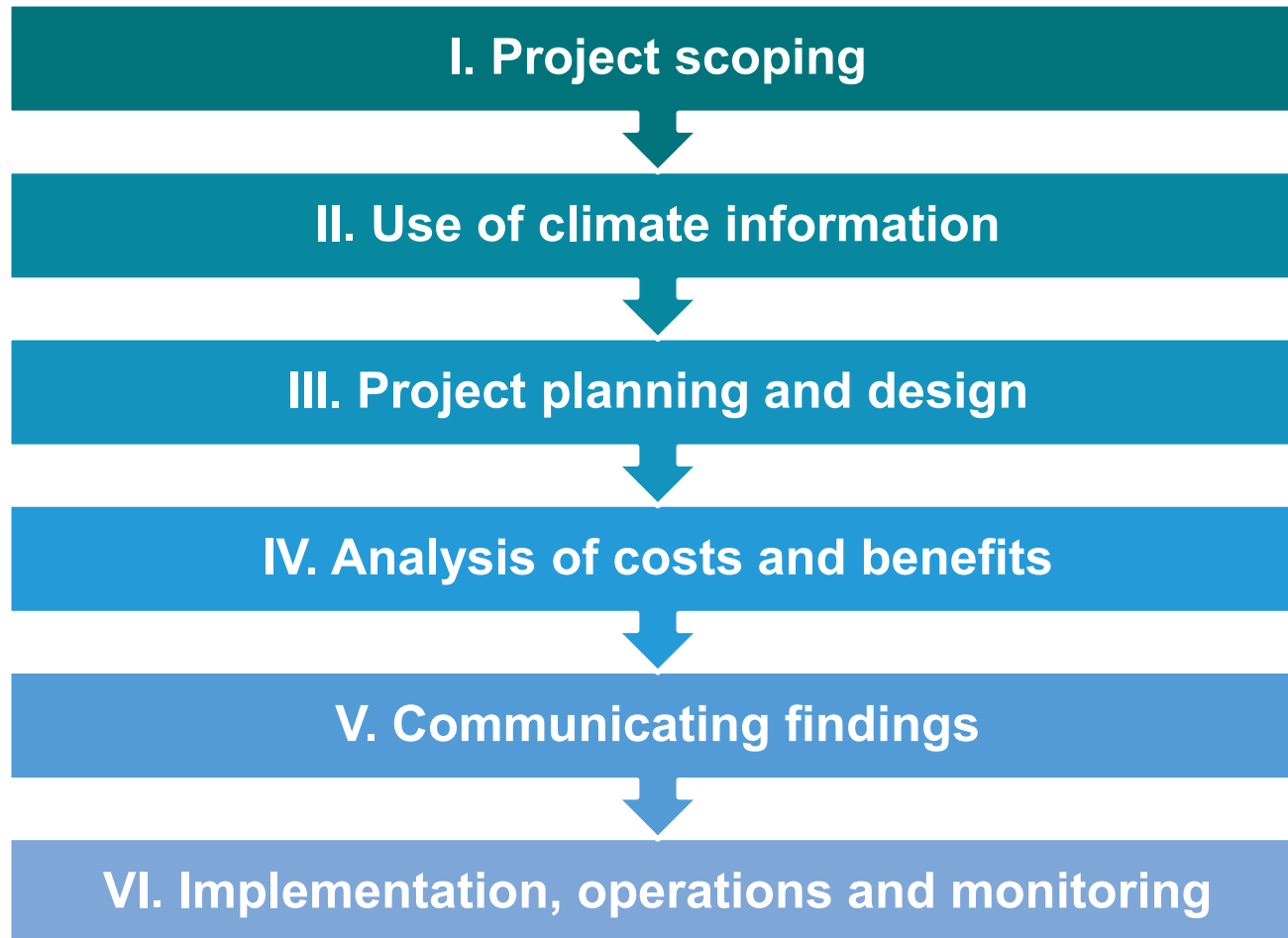


Expert agencies

- Climate Service Center Germany (GERICS)
- Joint Assistance to Support Projects in European Regions (JASPERS)

Consultancies

Acclimatise, Agrer, Atkins, Baastel, CES Consulting Engineers Salzgitter GmbH, Climpect-Metnext, CrissCross Consulting, D'Appolonia, Eco Ltd., ENVIRON, Factor CO2, GOPA mbH, Green Partners, Guiran Consulting, Kommunalkredit Public Consulting, Luxconsult S.A., Mott MacDonald, Perspectives, Pöyry, Royal Haskoning DHV, Safege, SIA srl, Sofreco, Suez Environnement Consulting, Sweco, TA Consult Partners Ltd., WSP Parsons Brinkerhoff

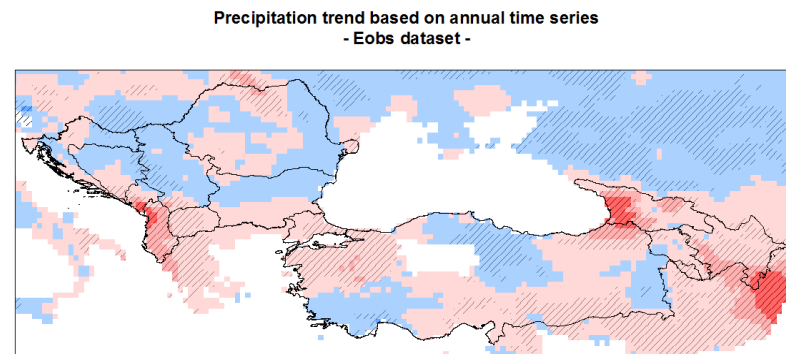
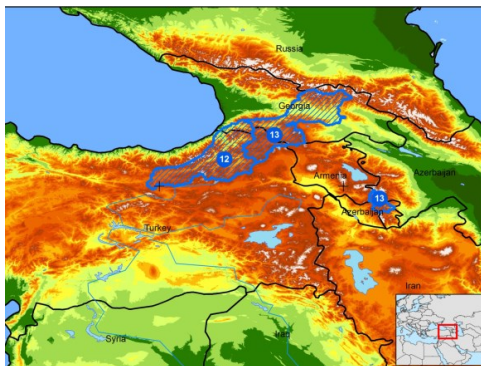




- Establish **project boundaries** that take into account the assets and systems being financed
- Establish an **appropriate timescale** over which climate change impacts are to be assessed
- Identify **preliminary priority climate vulnerabilities**

II. Use of climate information

- Set a **clear context of vulnerability to climate variability and change** using a robust evidence base
- Explore a wide envelope of climate change uncertainties drawing on a range of climate change model projections
 - Present uncertainties transparently
 - Annex 3 provides information sources





- Articulate links between the context of climate vulnerability and the planning and design of the project
- Assess climate risks that may affect the project and its performance
- Use results to inform project design and integration of adaptation measures
- Consider both **structural and non-structural adaptation measures**
- Ensure that adaptation **recommendations are specific** as possible
- Use established ‘international best practice’ industry standards or guidance on adaptation wherever possible and appropriate

IV. Analysis of costs & benefits



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- Explain clearly any **costs associated with adaptation measures** – in monetary terms where possible
- Explain clearly the **expected benefits of adaptation measures**, e.g. projected improvements in system performance, resource savings, avoided damages.
- **Analyse costs and benefits** of adaptation measures over a reasonable timespan using appropriate financial indicators (e.g. NPV, IRR, CBR) or semi-quantitative methods (e.g. MCA)



- Adaptation recommendations **should cover the climate resilience of both the project itself and the system or network** within which it operates
- Adaptation recommendations should be **communicated transparently and in a way that allows them to be used in decision making** (e.g. stakeholder consultation)

- Adaptation recommendations should be presented in a form that can be **integrated into financing agreements** and **project design documents**
- **Effective monitoring and evaluation measures** should be proposed, for both the construction and operation phases, to assess delivery of adaptation features, and their effectiveness

GENERAL PRINCIPLES PROMOTED BY EUFIWACC GUIDANCE

1. Initiate climate change adaptation assessment at an **early stage of project development**
2. **Integrate** the CCA assessment into **all project development steps**

USING EUFIWACC GUIDANCE IN PRACTICE

- Annex to ToR for relevant assignments (e.g. feasibility studies)
- Use as a resource in internal mechanisms (e.g. project preparation facilities)
- Staff training/awareness raising

Thank you



European Bank
for Reconstruction and Development

Marta Modelewska

Policy Manager

Energy Efficiency and Climate Change team
European Bank for Reconstruction and Development

modelewm@ebrd.com

www.ebrd.com



For info or further questions on this seminar and the activities of the JASPERS Networking Platform, please contact:

JASPERS Networking and Competence Centre

jaspersnetwork@eib.org

www.jaspersnetwork.org