

Comments from the Federal Ministry for Economic Cooperation and Development on the DEval reports “Agriculture, water, environmental protection, Nationally Determined Contributions and National Adaptation plans” and “Synthesis report of the DEval Evaluation of Interventions for Climate Change Adaptation”

The Federal Ministry for Economic Cooperation and Development (BMZ) welcomes the report “Agriculture, water, environmental protection, Nationally Determined Contributions and National Adaptation plans” and the Synthesis Report presented by the German Institute for Development Evaluation (DEval). The module report examines the effectiveness, development impact and sustainability of interventions for adaptation carried out under German development cooperation. In addition to addressing the effectiveness of the adaptation portfolio of German development cooperation, the synthesis report also looks at how the mainstreaming of adaptation is implemented and how transformative and conflict-sensitive adaptation interventions are supported. Both reports are part of the comprehensive DEval evaluation of interventions for climate change adaptation. The time period covered by the overall evaluation is from 2011 to 2020.

Relevance of the findings

Continuing climate change and its impacts are among the biggest global challenges currently having to be faced, and developing countries are especially impacted by them. Climate action, adaptation to climate change and dealing with losses and damages are among the BMZ’s priority areas. The modular evaluation of interventions for climate change adaptation thus analyses a political

priority of the BMZ’s activities to promote sustainable development worldwide and gives recommendations for action in relevant areas. It is clear from this analysis that many of the goals of German development cooperation are being successfully pursued and that the BMZ is making an important contribution to climate change adaptation through its official development cooperation. The BMZ regards the findings of the evaluation as relevant validation of how its portfolio has been further developed in recent years.

Conclusions drawn by the BMZ

Module report: Agriculture, water, environmental protection, Nationally Determined Contributions and National Adaptation Plans

DEval recommends examining whether more use can be made of policy-based financing to support partner countries’ Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs). This suggestion is welcomed. The instrument of policy-based financing, i.e. supporting targeted reform measures by partner countries, is now part of the strategic approach for development cooperation aimed at supporting climate transition in BMZ partner countries. During the

German Presidency of the G7 in 2022, the BMZ lobbied at the multilateral development banks for climate-relevant policy-based financing to be expanded, especially in the area of mitigation. The BMZ is continuing to do this in 2023 – for example, within the framework of climate and development partnerships. Depending on the country in question, it makes sense to use policy-based financing in the context of adaptation – or to use a combination with a focus on mitigation and adaptation – and it is an option that the BMZ examines case by case.

DEval furthermore recommends increasing the financing for bilateral measures in the poorest countries. The BMZ is already continuously increasing activities in the climate sector in its partner countries and thus scaling up financing for bilateral interventions, especially in the poorest countries. This process is to be mainstreamed for development cooperation in the climate sector and that includes identifying starting points for providing support on a regional level based on partner countries’ needs as determined under the NDC Partnership (NDCP Mainstreaming). The BMZ welcomes the suggestion that incorporating partner countries into the exchange of knowledge and experience taking place under the NDC Partnership and the NAP Global Network should be pro-actively supported.

One third of the support provided through the NAP Global Network goes to the poorest countries. This support is concerned with targeted interventions for climate change adaptation and the corresponding national planning. Via the NAP Global Network, the BMZ has already supported 23 poorest countries in drawing up their NAPs. The BMZ will also continue to use the Network in the future to assist with targeted short-term technical support for NAP processes that will complement and inform the bilateral portfolio. Under the framework of climate and development partnerships the BMZ will likewise increase financing for interventions that are relevant for NDCs or NAPs.

Synthesis report

The synthesis report concludes the modular DEval evaluation of interventions for climate change adaptation. Building on the results of the modular reports 1 to 3 evaluating interventions for climate change adaptation, DEval recommends (1) effectively implementing the mainstreaming of climate adaptation; (2) expanding financing for nature-based approaches and infrastructure measures; (3) strengthening the evidence-based shaping of the adaptation portfolio; (4) creating innovation spaces for transformative adaptation interventions and providing financing for them; and (5) designing conflict-sensitive adaptation interventions in countries with a high escalation potential and high climate risk.

1. The BMZ agrees with the finding that, during the period under investigation, mainstreaming adaptation with a view to avoiding negative impacts from climate change, addressing (residual) climate risks and using available potential was not always done effectively. Since the time when the analysis began, however, a series of initiatives has been started with the aim of improving this situation. For example, the mainstreaming across all development cooperation activities for environmental and climate impacts is currently being revised and this review is also taking findings from the evaluation into account.

GIZ and KfW have also already reacted to the findings by developing specific work processes for taking climate risk aspects into account. All KfW projects have already been subject to a mandatory climate mainstreaming process since 2011; in 2019 this process was updated in order to recognise potential for integrating climate adaptation elements into project planning, identify climate-based risks for the success of projects and define appropriate measures to reduce those risks. At GIZ, the possible risks and potential of new projects and amendment offers are examined as part of safeguards adaptation, a process that is part of the Safeguards and Gender Management System which has been binding since 2016. Impact on climate resilience is increased

by carrying out a more in-depth appraisal in duly justified cases and then integrating into the projects such options for action that minimise negative impacts or eliminate maladaptation.

2. The BMZ welcomes the recommendation that, in order to increase the effectiveness of the German adaptation portfolio, nature-based approaches and infrastructure interventions should be expanded. The use of nature-based solutions is explicitly addressed, for example, in the BMZ’s core area strategy “Responsibility for Our Planet – Climate and Energy” in order to contribute simultaneously to achieving climate and biodiversity goals. Measures for the rehabilitation of ecosystems, ecosystem-based climate adaptation, disaster risk management and green-blue infrastructure are important elements of the broad spectrum of measures using nature-based solutions. The initiative area “Ecosystem restoration and nature-based solutions” introduced by the BMZ in 2022 underscores the relevance of this aspect in the overall spectrum of topics covered in the BMZ’s work. Synergies between the biodiversity agenda and the climate agenda are also meant to be used more systematically. Together with partners, the BMZ is already supporting many multilateral organisations and initiatives in the field of nature-based solutions, e.g. the Legacy Landscapes Fund, the Blue Action Fund, the Global Fund for Coral Reefs, the African Forest Landscape Restoration Initiative and the Nature, People & Climate Program of the Climate Investment Funds. Ensuring high social and environmental standards and human rights, as well as the participation of all interest groups, is very important for the BMZ here.
3. The BMZ sees supporting evidence-based design of the adaptation portfolio as very relevant and is already actively promoting this. For example, the InsuResilience Global Partnership (IGP) has developed an evidence roadmap together with the Munich Climate Insurance Initiative in order to provide an even higher degree of scientific backup for the whole range of financing and insurance instruments for climate and disaster risks. In collaboration with the Potsdam Institute for Climate Impact Research (PIK) climate risk analyses and climate risk profiles are already being included as a scientific basis in political decision-making processes.
4. The BMZ sees great value in creating innovation spaces for transformational adaptation. The BMZ has already enshrined building up transformative climate portfolios in its core area strategy “Responsibility for Our Planet – Climate and Energy”. The comprehensive risk management approach contributes likewise to a systemic change. Instead of separate individual interventions, tried and tested innovative instruments from the fields of climate action, adaptation to climate change and disaster risk management, and also from the field of social protection are combined into one joint approach. In addition, the new BMZ initiative area “Managing climate risks / climate-related losses and damages” will bundle activities in this area, create innovation spaces and provide funding, in order to further develop existing approaches and incorporate them. Initiatives like the Global Shield against Climate Risks, the aim of which is to insure vulnerable people and countries against the impacts of extreme weather events, or the Team Europe Initiative on adaptation and resilience in Africa, are likewise successful examples of bundling and coordinating various instruments and projects as innovation spaces. After focusing so far on drawing up national climate risk analyses, the BMZ is going to extend its deepened partnership with PIK in the future in order to foster the further development of transformative measures and concepts through impulses from the scientific community. For example, in addition to integrating the existing approach, space will also be created for other innovative approaches to topics like loss and damage, and comprehensive risk management.

The BMZ welcomes the recommendation that the implementing organisations should design conflict-sensitive adaptation interventions in countries with a high or acute escalation potential and high climate risk in order to a) ensure adaptation impacts in conflict contexts, b) avoid impacts that exacerbate conflict and c) contribute to peacebuilding. The BMZ also welcomes the recommendation that existing potential be used to align climate adaptation interventions in planning and implementing even more actively with peacebuilding, and will examine the possibility of extending this to countries that have so far shown low potential for escalation.

The BMZ thanks the evaluators for the comprehensive evaluation of interventions for climate change adaptation. The DEval module reports and the synthesis report can be downloaded at www.deval.org/en/evaluations/our-evaluations

Published by the German Federal Ministry for Economic Cooperation and Development (BMZ)
Division 420 – Climate policy

As at 06/2023

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