From Climate Services To Serving Africa's Adaptation & Resilience Agenda

Dr. Arame Tall

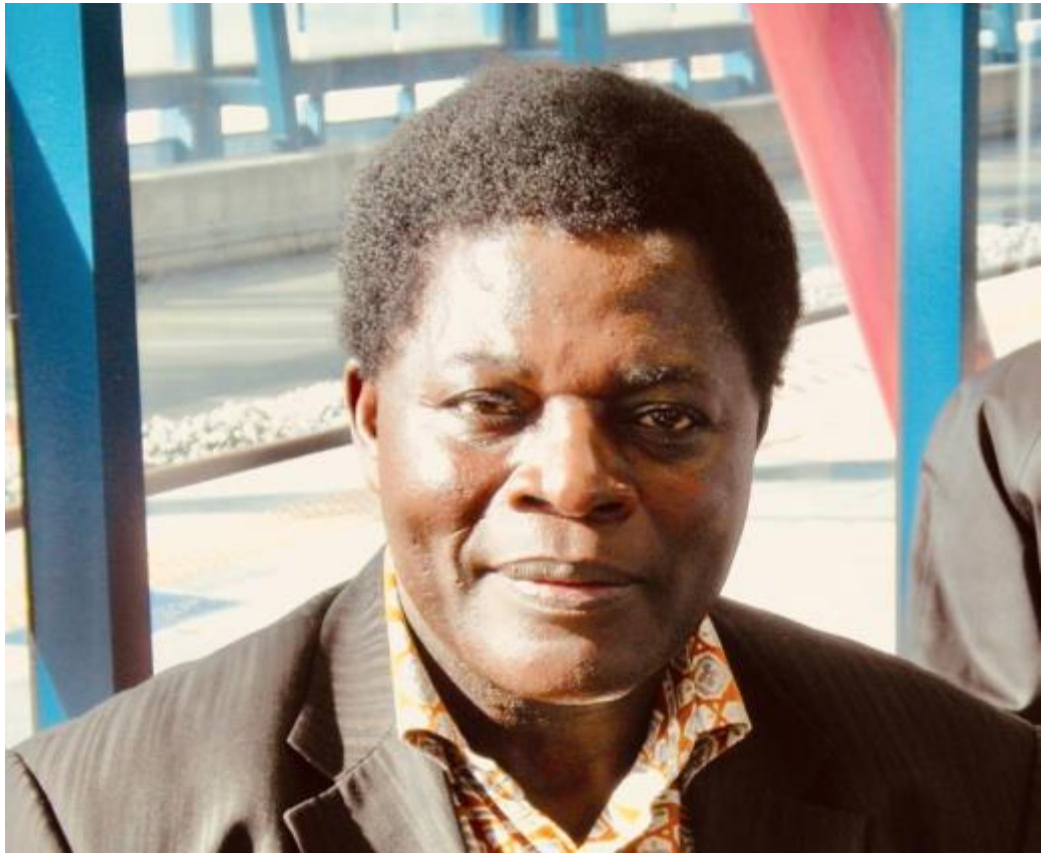
Senior Climate Specialist, World Bank

CCDA-IX Obasi Memorial Lecture Keynote

September 17, 2021

WORLD BANK GROUP

Remembering Prof. Laban Ogallo



Pioneer in applied climate research, and climate services for Africa's adaptation & resilience

https://public.wmo.int/en/resources/meteoworld/obituary-professor-laban-ayieko-ogallo

Gap between User needs and Climate Research in Africa…

African Climate Conference 2013 (Arusha, Tanzania)
https://www.uneca.org/cr4d

Value Chain Linking Climate Knowledge to Action

External Data Providers

GPCs
Climate Data Providers
RCCs

Capacity Strengthening for NHMS

In-Country Data Providers

National Hydro-Meteoro-logical Services

Production of tailored hydro-meteorological information → production of climate information

Sector Experts, Co-producers

Ministerial Departments Agriculture, DRR, Water, Health, Energy

Tailoring of climate information → production of climate service

Boundary Organizations

Media, ICTs, Rural Radio, Telecom Companies, Agricultural Exten-sion Agents, NGOs, CBOs)

Two-way communi-cation of climate information and advisory services

National-Level Users

Rural Development Planners, Disaster Managers, Public Health, Dam Build-ers, Private Sector

Feedback, Co-production

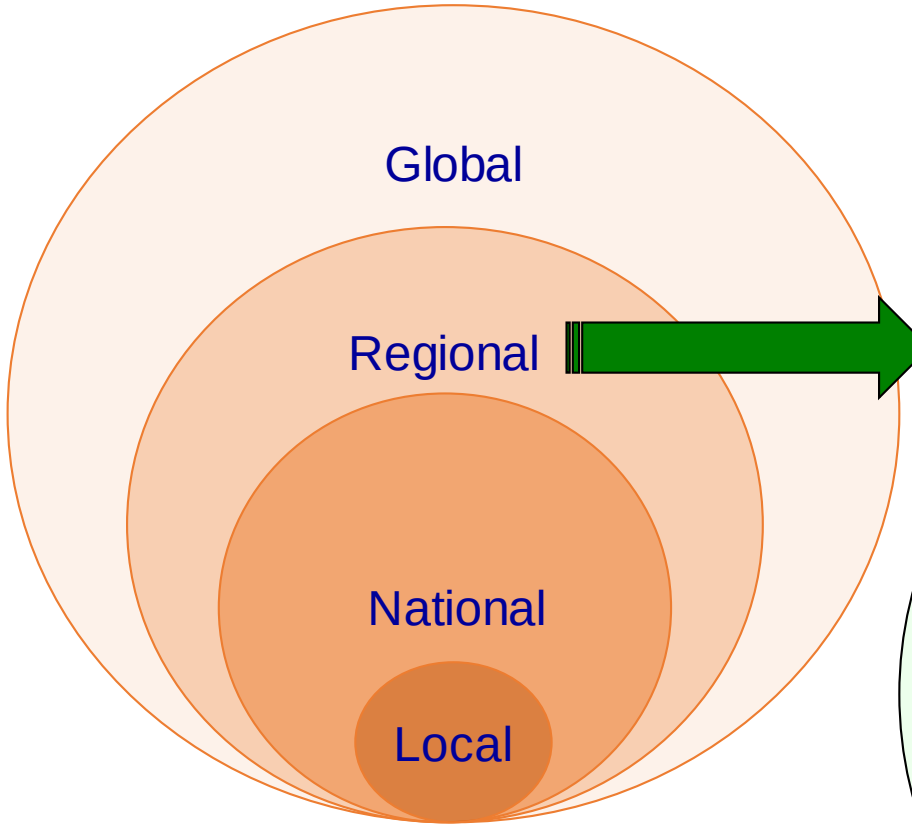
Community-Level Users

Farmers, Pastoral-ists, Vulnerable Communities

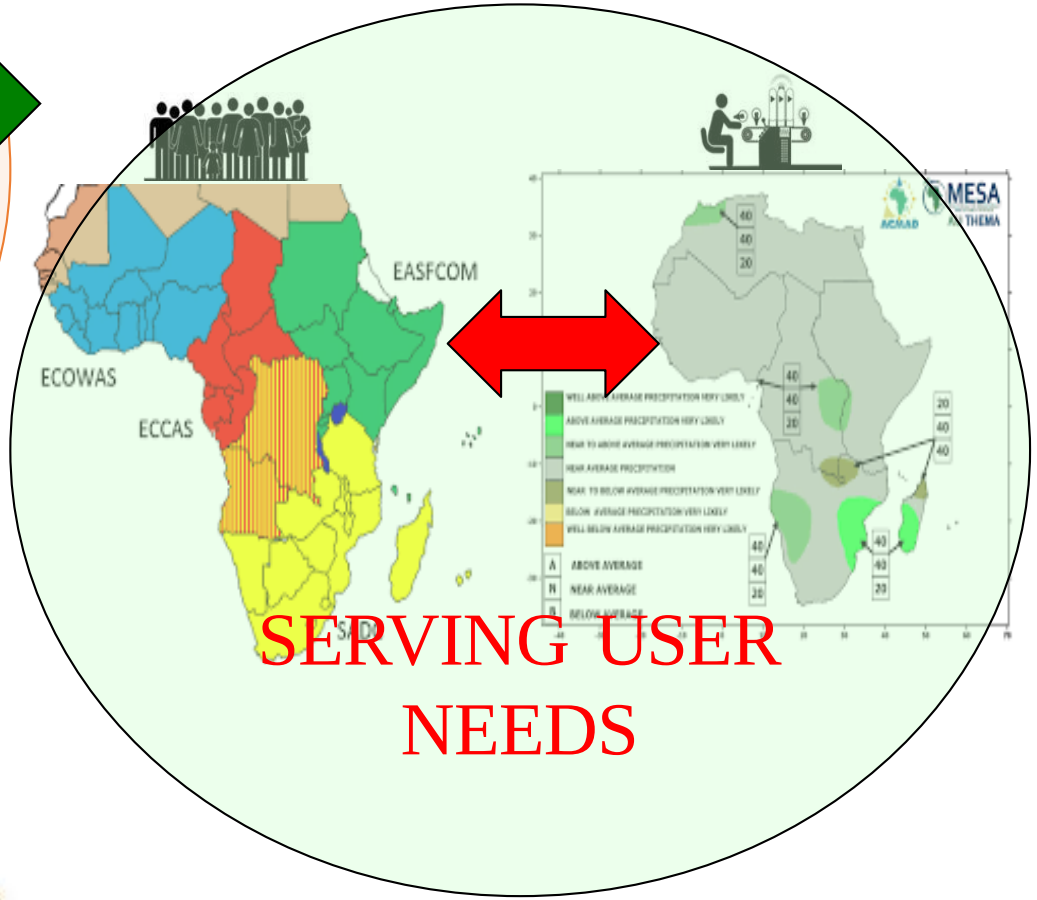
Feedback, Informa-tion Knowledge Overlay Co-production

Research Partners and Development Partners

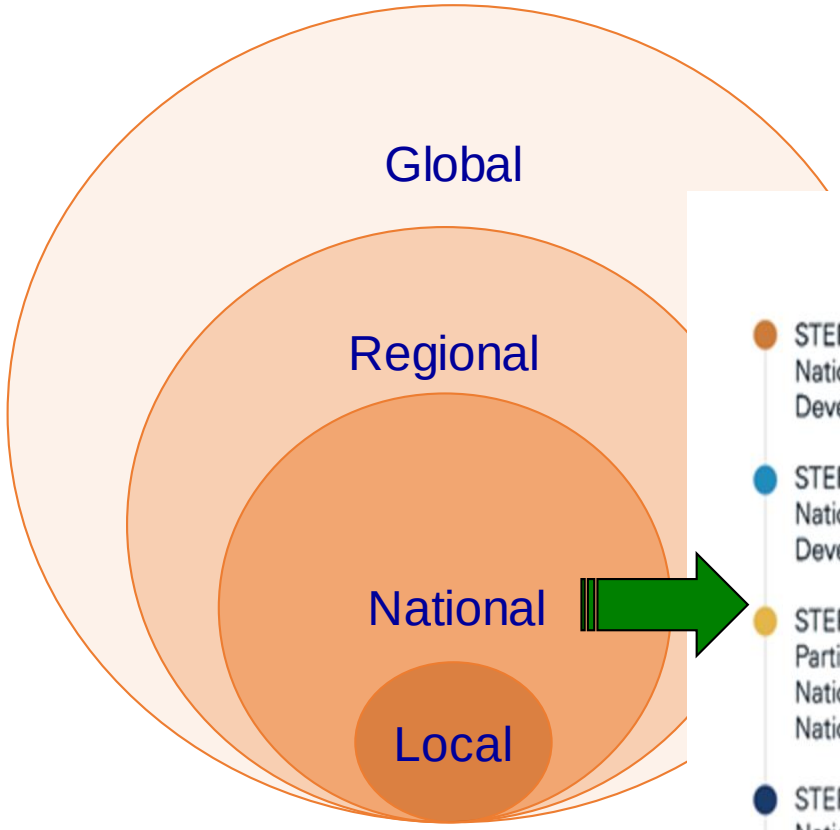
Domains of Operation of GFCS



Towards Regional Frameworks for Climate Services



Domains of Operation of GFCS

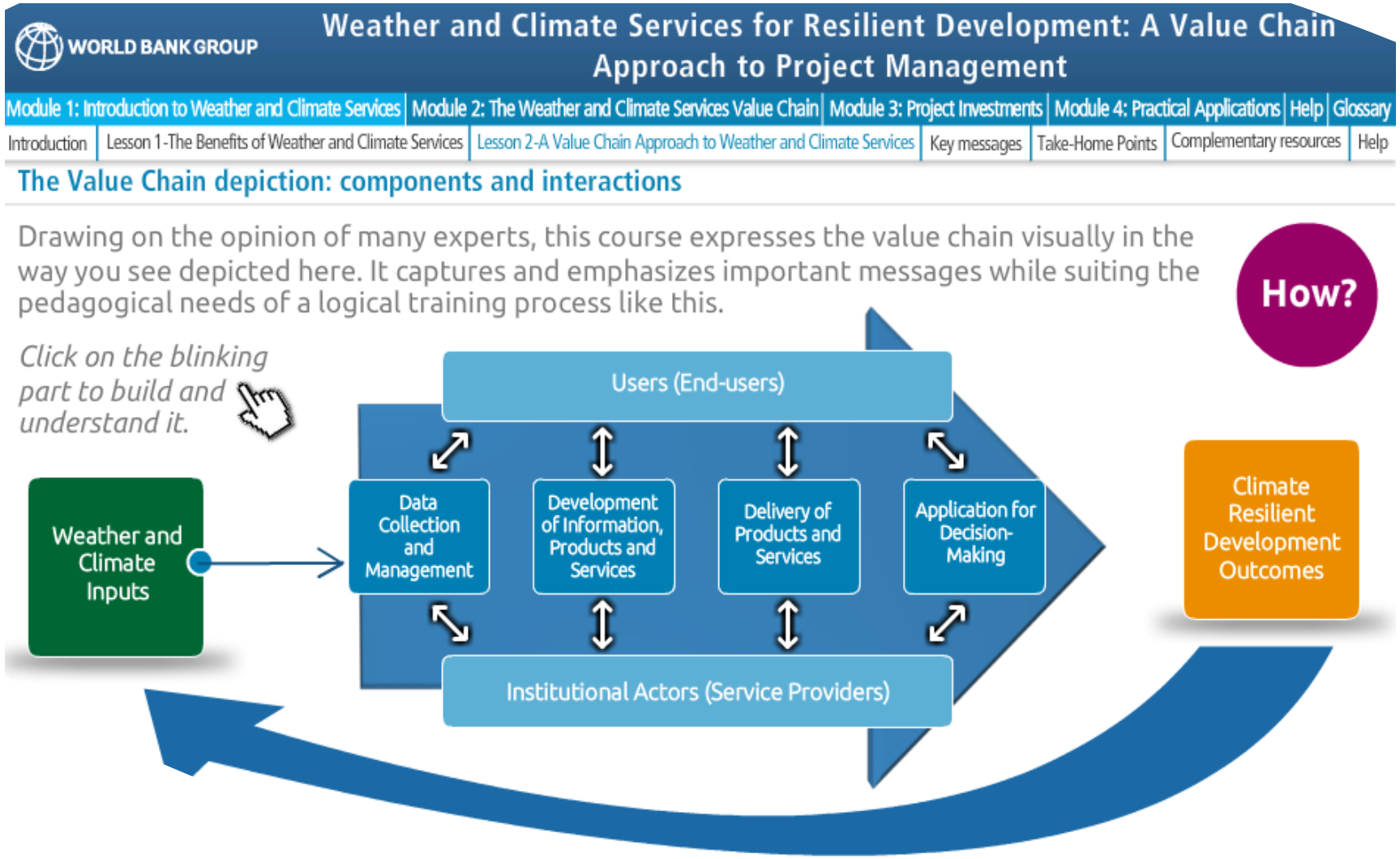


The National Frameworks for Climate Services

- STEP 1: National Baseline Capacity Assessment for the Development of Climate Services
- STEP 2: National Consultation on Climate Services, Development of NHMS Strategic Plan
- STEP 3: Participatory Inter-sectoral Development of National Action Plan for the Establishment of a National Framework for Climate Services
- STEP 4: National Action Plan Endorsement Workshop (High level)
- STEP 5: Launch of National Framework for Climate Services, Operational implementation of priority activities, rigorous M&E

Map 1: state of GFCS Implementation in Africa as of December 2016.

Five Key Transformations Needed in African Climate Services



Source: Value Chain Approach to Weather and Climate Services, World Bank, 2019

1) Flip the Value Chain
2) Partnerships with sectoral experts for value-addition
3) Focus on Climate Resilient Development Outcomes
4) Goal: climate-informing development planning
5) Develop long-term business models and financing

Opportunities for Transformations in African Climate Services: The view in 2021

Dr. Arame Tall, Senior Climate Specialist, The World Bank

September 17, 2021 | CCDA-IX Obasi Memorial Lecture Keynote

WBG Actions & Commitments

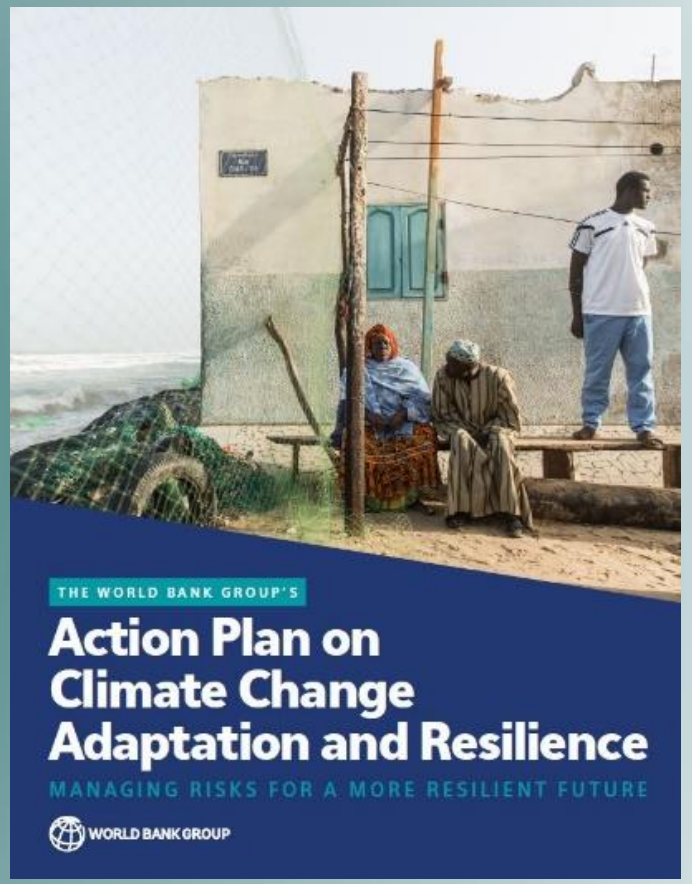
are organized around 3 pillars:

1. Boost Adaptation Financing

2. Drive a mainstreamed-whole of government programmatic approach

3. Develop a new resilience rating system

What do countries have to adapt to?



WORLD BANK GROUP
Climate Change

GLOBAL ADAPTATION FINANCE LANDSCAPE

- **#1: The Adaptation Finance Gap is growing**
  - The cost of adaptation is expected to reach *by 2030 US$140–300 billion/year*, and *by 2050 US$280–500 billion*
  - NDCs of 50 developing nations identified > US$50 billion/year in adaptation needs for 2020–2030
  - Est. *US$57–95 trillion* worth of new infrastructure needs to be made climate resilient by 2030
  - ***Current baseline***: Global adaptation investment from public and private sources increased *from US$23 billion/year in 2015–2016, to US$30 billion/year in 2017–2018*, and constituted 1/5th of total climate finance in that period (CPI 2018). MBDs funded US$14.9 billion (JCFR, 2019)
  - ***Of the total $30 billion spent on adaptation in 2017-18, only roughly US$500 million (a mere 1.6%) came from private sources***
  - Growing investment gap in A&R > private sector investment offers potential to serve as fastest growth trajectory to achieve required volumes of funding
- **#2: Three key barriers to Private Investment in Adaptation**
  1. **Lack of localized climate risk impact and vulnerability information**
  2. Limited clarity on government's capital investment gaps to achieve adaptation goals (incl. lack of NAP/NDC adaptation investment plans)
  3. Actual returns on investment from A&R investments are still seen by private investors to be low
- **#3: Mission possible to mobilize private sector investment in adaptation and resilience**
  - Provided the right set of incentives, metrics, conducive policies and enabling environmentare in place to attract private investors

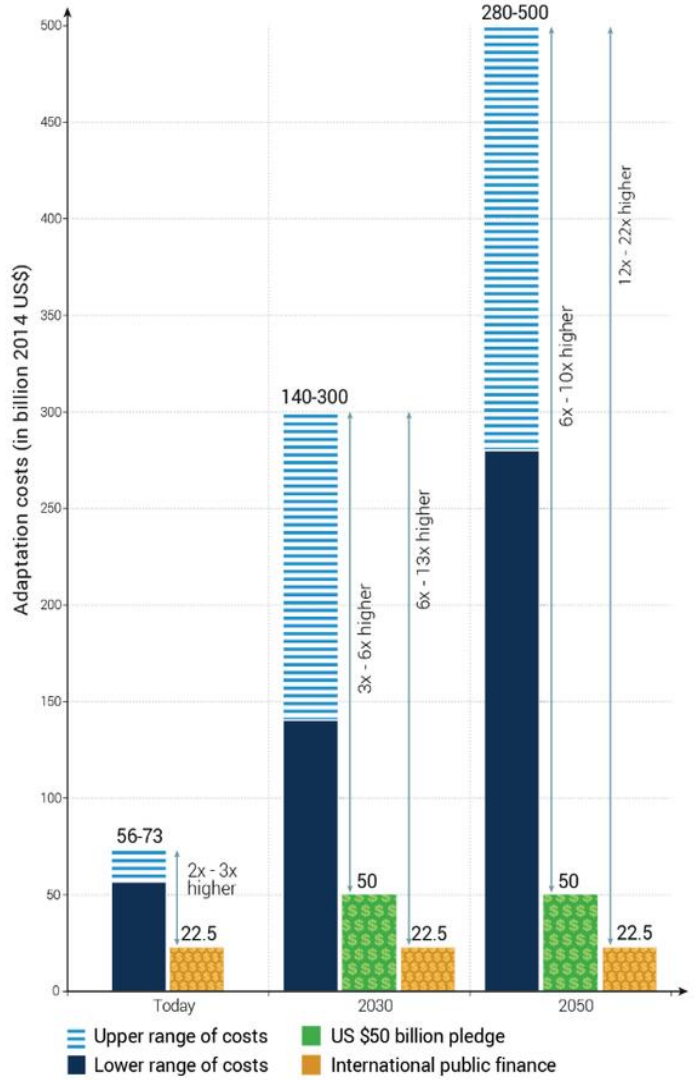


Fig 3. The Adaptation Finance Gap (UNEP 2018)

ENABLING PRIVATE INVESTMENT IN CLIMATE ADAPTATION & RESILIENCE

March 4th, 2021
10:00 – 11:00 am EST

Current Status, Barriers to Investments and Blueprint for Action

Barriers to Scaling Up Private Sector Financing for Adaptation

From "Enabling Private Investment in Climate Adaptation & Resilience", World Bank Group, 2021

Entry point for NMHSs

BARRIER TYPE	BARRIER	WAYS TO ADDRESS BARRIER
Data and information	Insufficient availability and adoption of climate risk data and tools	Data, analytics, and knowledge for invest[illegible]sion making
	Mismatch of timescales between climate change adaptation planning and investor planning	Climate information services tailored for pr[illegible]e sector decision-making
Institutional arrangements	Lack of robust adaptation planning through NDCs, NAPs or planning strategies	Support for robust adaptation planning processes
	Lack of institutional capacity for climate adaptation projects	Technical and financial expertise to ensure policies and institutions incorporate objectives of catalyzing private financing a countries adaptation plans.
	Low stakeholder engagement	Ensure engagement across sectors in national and local planning for resilience
	Absence of policies, regulations, standards and metrics	Regulations, standards and metrics that underpin climate-resilient investments
	Low of policy effectiveness	TA to ensure policies and metrics are used and monitored
	Lack of clear adaptation investment plans and guidance	Investment plans including public and private sector opportunities
Financial incentives	Absence of financial incentives	TA with finance ministry for public financing incentives, FDI investors, domestic financial markets, etc.
	Perverse incentives	Ensure risk and cost modeling to integrate CC in pricing structures, procurement, insurance standards, building codes, etc.

Blueprint for Action – Five Steps to Enable Private Sector Engagement in Climate Adaptation

Upstream (Policy Dialogue)

Midstream (Project Identification)

Downstream (Transaction Preparation)

1 Long-Term Adaptation Planning Support

Entry point for NMHSs

Support to update/revise/draft long-term adaptation strategies (i.e. NAP's, NDCs, etc.) and develop robust analyses of investable initiatives.

Partners: WB CCG, IMF (tentative), NDC Support Facility, UNDP.

2 Develop a National Adaptation Investment Plan

Facilitate the translation of long-term adaptation strategies and goals into a national adaptation investment plan with a portfolio of both required policy measures & investments, with assessment of bankability.

Partners: Ministry of Finance, FCI, GIF, NDC, SF, PPIAF.

3 Market Assessment & Pipeline Screening

Support pipeline screening and market assessment for portfolio of prioritized private potential projects and formulation of enabling conditions/incentives to incentivize market development and private sector investment, including PPP framework development & capacity-building.

Partners: IFC, GIF, PPIAF, National Development Institutions, providers of climate risk data.

4 Project Preparation Support

facilitate data sharing, knowledge and leading practices and support the identification of project investment risks and opportunities for private investors.

Partners: GIF, IFC, PPIAF

5 Downstream Transaction Demonstration

Facilitate the coordination of project financing with relevant investors and support adaptation-related projects ready for investment.

Partners: Government, DFIs (e.g., MDBs, NDBs, including IFC/MIGA).

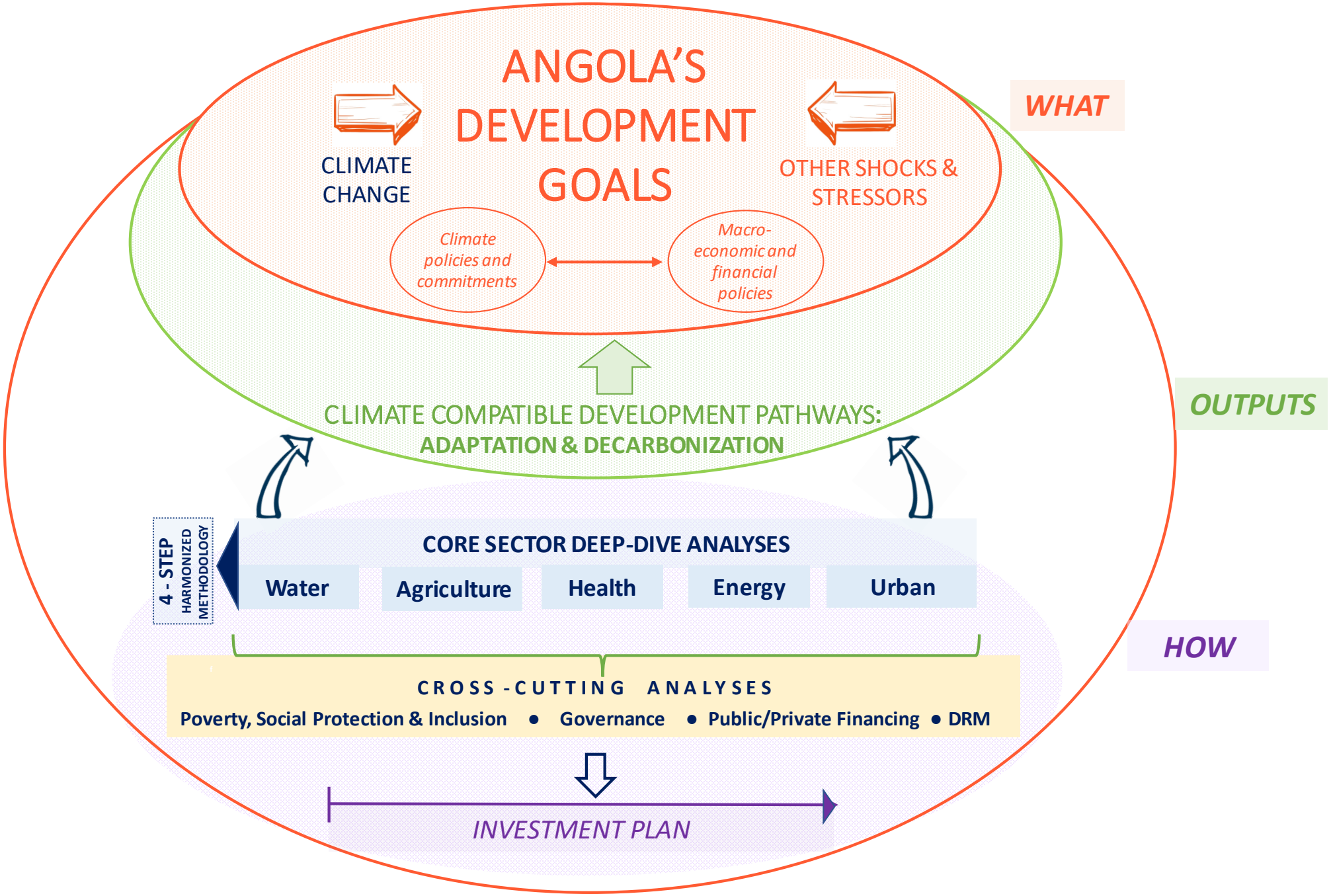
Enabling Environment
Diagnostic & Implementation

Angola's Country Climate & Development Report (CCDR)

Core Sectors Deep-Dive & Cross-Cutting Analyses

Climate Impact Analysis for Angola

Where are NMHSs / RCCs?


ANGOLA'S DEVELOPMENT GOALS
CLIMATE CHANGE
OTHER SHOCKS & STRESSORS
Climate policies and commitments
Macro-economic and financial policies
WHAT
CLIMATE COMPATIBLE DEVELOPMENT PATHWAYS:
ADAPTATION & DECARBONIZATION
OUTPUTS
4 - STEP HARMONIZED METHODOLOGY
CORE SECTOR DEEP-DIVE ANALYSES
Water
Agriculture
Health
Energy
Urban
HOW
CROSS-CUTTING ANALYSES
Poverty, Social Protection & Inclusion • Governance • Public/Private Financing • DRM
INVESTMENT PLAN

Climate Knowledge > starting point for robust Adaptation & Resilience Planning

- African climate science has the knowledge to inform the next green leap in Africa > guiding Africa's transition to a climate-resilient, low-carbon growth trajectory
- Country/regional climate profiles (one-stop shop in RCCs)
- State of the Climate Report for Africa
- CR4D – tenacious climate research frontiers jointly advanced across African centers of excellence (N-S-S research collaborations)
  - Interdisciplinary training in climate & societal impacts
- IPCC Africa in-focus thematic series
- CCDA-10 at Finance Ministry Level (with AMCOMET/AMCOW and Coalition of Fin Ministers for Climate Action)