



Water Security and Climate Resilient Development; AMCOW Strategic Framework

*UNFCCC Technical Workshop on Water and Climate Change
Mexico*

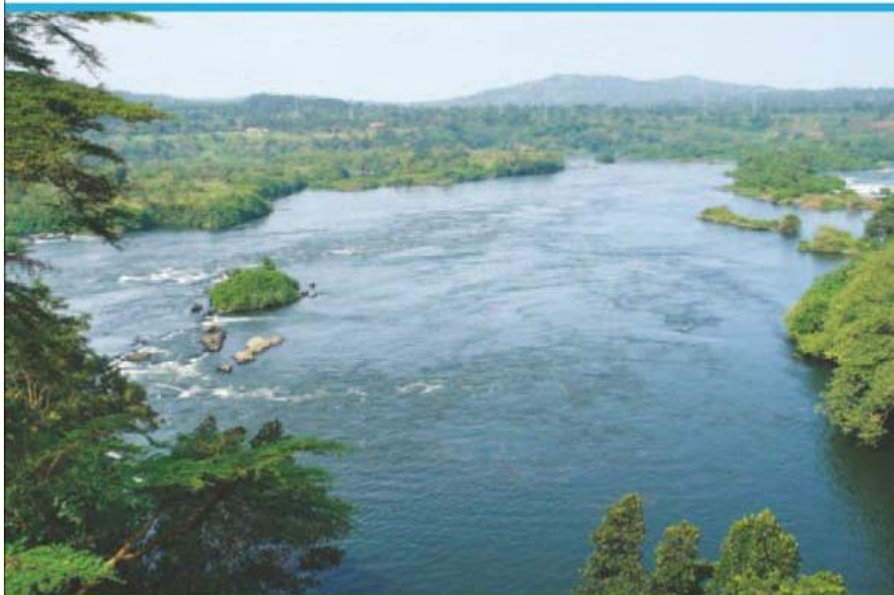
*Alex Simalabwi-GWP
18-20 July 2012*





Water Security and Climate Resilient Development

STRATEGIC FRAMEWORK



Investing in water security for growth and development

The Framework is key for Climate
Resilient growth and
development



Identify and put in place investments that can withstand multiple
climate scenarios- No/low Regret investments

Strategic Framework provides:



Guidance on the development of no/low regrets investments and financing strategies for water security and climate resilient development and integration into development planning processes

Making best use of existing and emerging climate funds for climate resilient development priorities

Short-term integration and longer term mainstreaming of climate resilience into development planning

No / low regrets investments give benefits under a range of climate scenarios

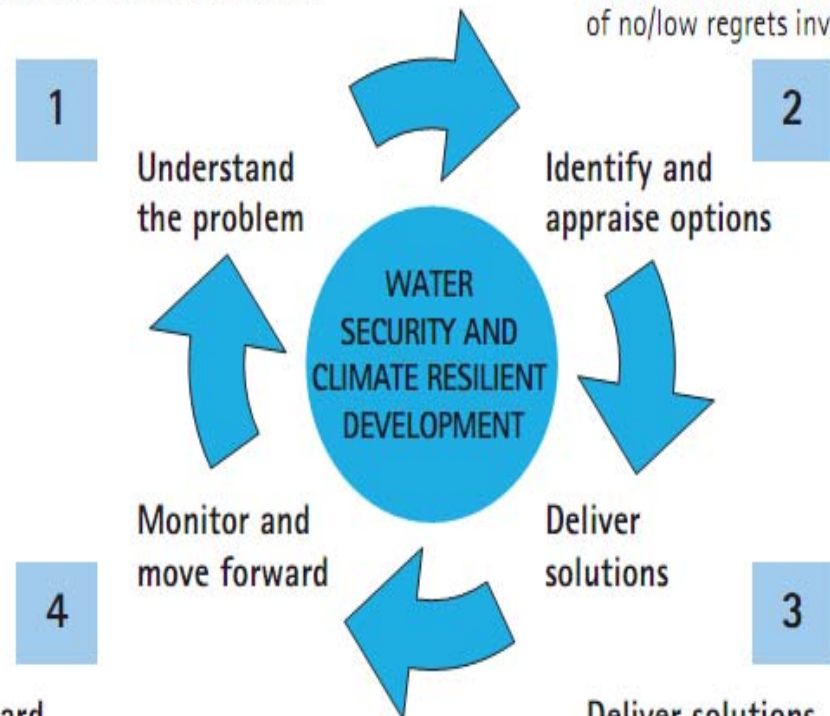
Framework for Water Security & Climate Resilient Development

Understand the problem

- Make the case for climate resilience (4.1)
- Gain stakeholder perspectives (4.2)
- Climate vulnerability and impact assessments to inform decision makers (4.3)

Identify and appraise options

- Identify opportunities for building resilience in ongoing development activities (5.1)
- Identify new and innovative investment opportunities (5.2)
- Sift ideas, assess robustness and make the economic case for a balanced portfolio of no/low regrets investments (5.3, 5.4, 5.5)



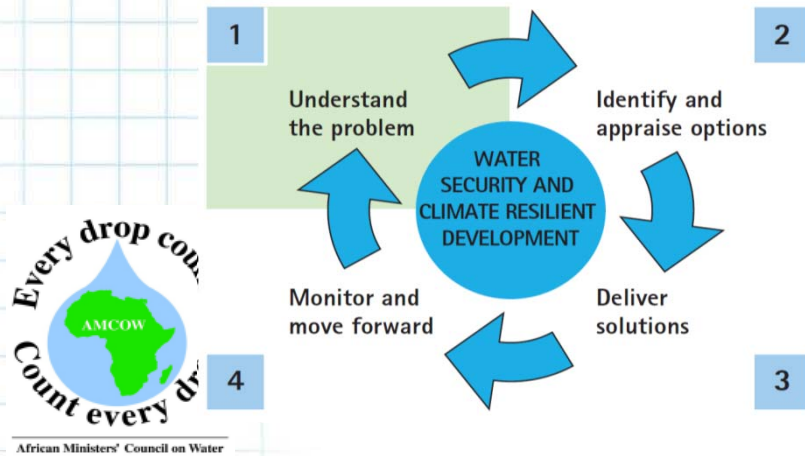
Monitor and move forward

- Learn lessons from application of the Framework (7.1)
- Set a monitoring and review process (7.2)

Deliver solutions

- Integrate no/low regrets investment strategies in development planning (6.1)
- Develop financing and investment strategies (6.2)
- Mainstream climate resilience in development planning (6.3)

The Strategic Framework process – Phase 1



2 Understanding the problem

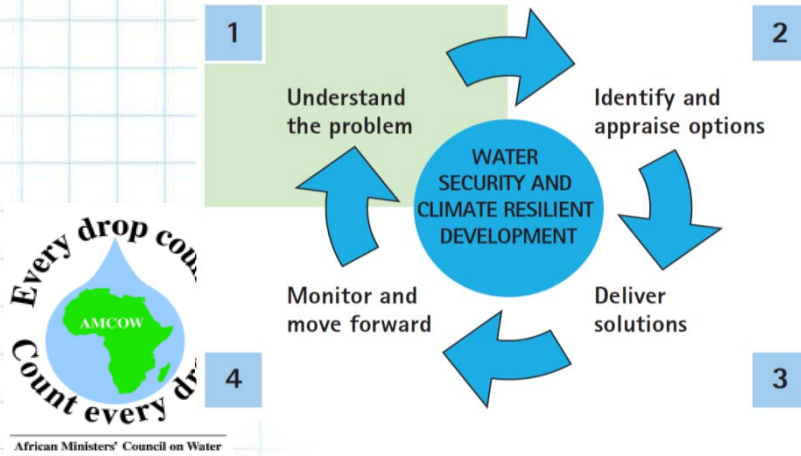
- Making the case for climate resilience – This involves taking an overview of the main climate vulnerabilities, development priorities and existing initiatives
- Gaining stakeholder perspectives – Understanding the institutions and individuals who will influence the development of a strategy for climate resilience
- Defining information needs – Reviewing existing studies and mapping gaps in the knowledge which must be addressed to make informed decisions.

TOOL – Climate impact and vulnerabilities studies ,
and information needs



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The Strategic Framework process – Phase 1

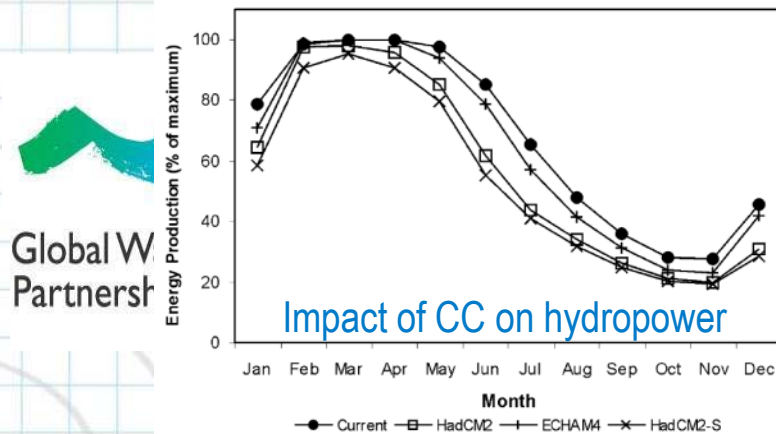
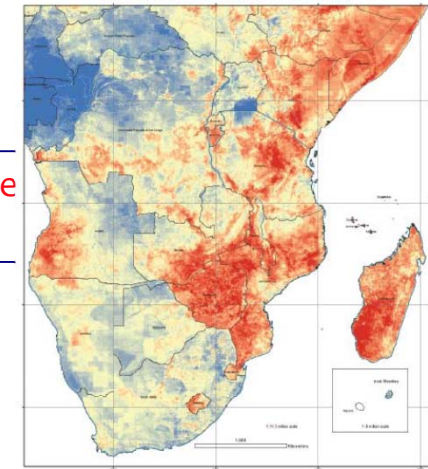


Commission climate impact and vulnerability mapping tools

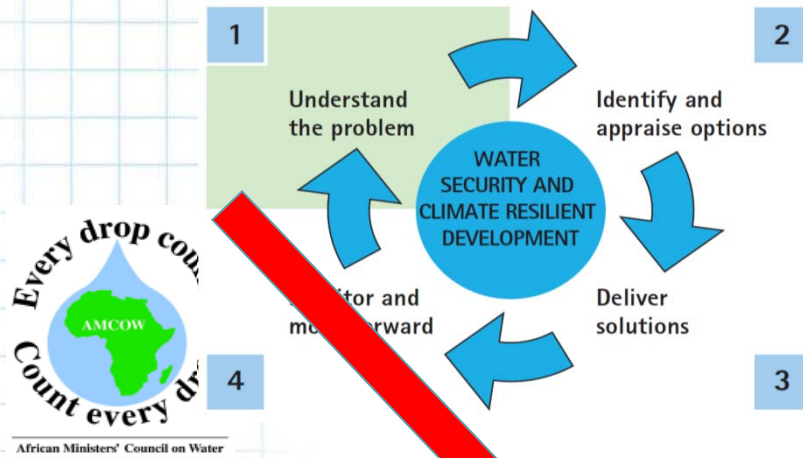
- Literature review of national assessments (e.g. NAPA) and technical studies (e.g. research institutions, RLBOs)
- Sector wide studies (agriculture, water resources, disaster risk) using specialist modelling tools
- Community and livelihoods vulnerability assessments (e.g. Cristal tool)

TOOL – Vulnerability or hazard hotspot mapping
Climate impact and vulnerability and information needs

RCCP Health and Food Security Risk Profile Mapping for Southern Africa
Hotspots: (sensitivity * 2) + exposure + adaptability
Phase 2: current conditions and recent history



The Strategic Framework process – Phase 1

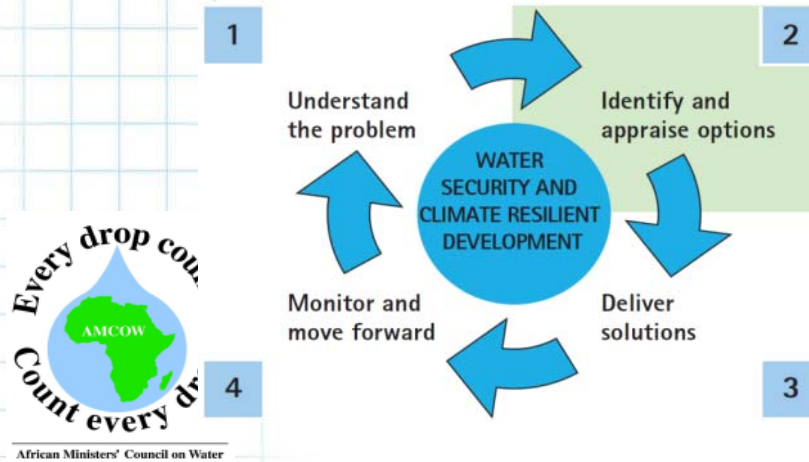


OUTPUT

- Key challenges identified and strong case for climate resilience developed
- Stakeholder partnerships built
- Review of available information, gaps identified, and studies commissioned (where necessary)



The Strategic Framework process – Phase 2



• Identify and appraise options

- Identifying options to improve resilience of existing assets, ongoing or planned development activities

TOOL – Screening tool for climate risks

- Cross sector dialogue to identify new opportunities for no/low regret investments. Building partnerships to drive innovation and manage resources effectively
- Building a robust portfolio of no/low regrets priority investments

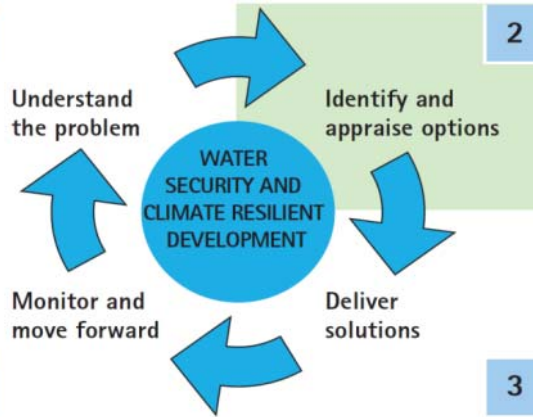
TOOL – Robust Decision Making (RDM)

- Making the economic case for priority options

TOOL – Benefit Cost Analysis (BCA), Cost Effectiveness (CE), Multi Criteria Analysis (MCA)



The Strategic Framework process – Phase 2



Screening for climate risks

• Generic approach can be applied across sectors and scales

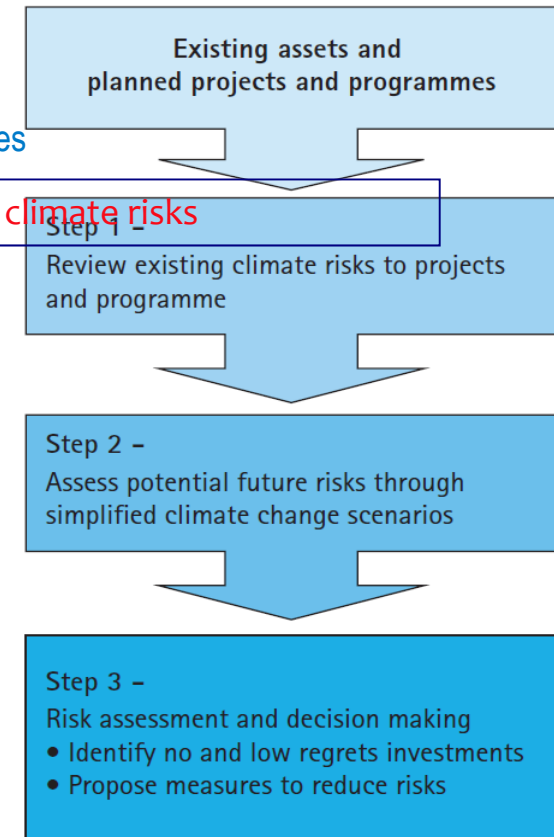
• Requires simple climate change scenarios

• Risk reduction;

- reduce uncertainty
- do things differently
- do different things
- bear the risks

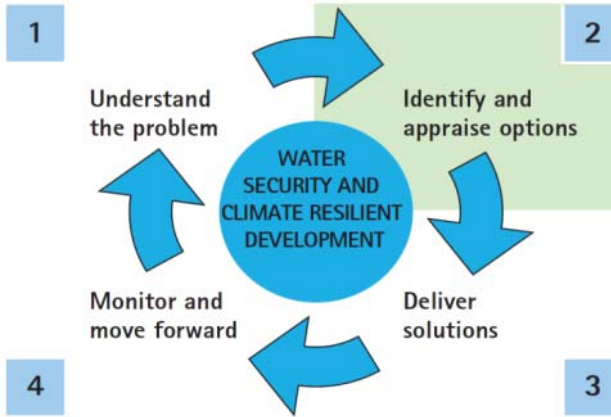
• Examples for screening;

- Infrastructure development (e.g. energy, transport, agriculture)
- Water resources policies, projects and programmes
- Urban planning policies and regulations

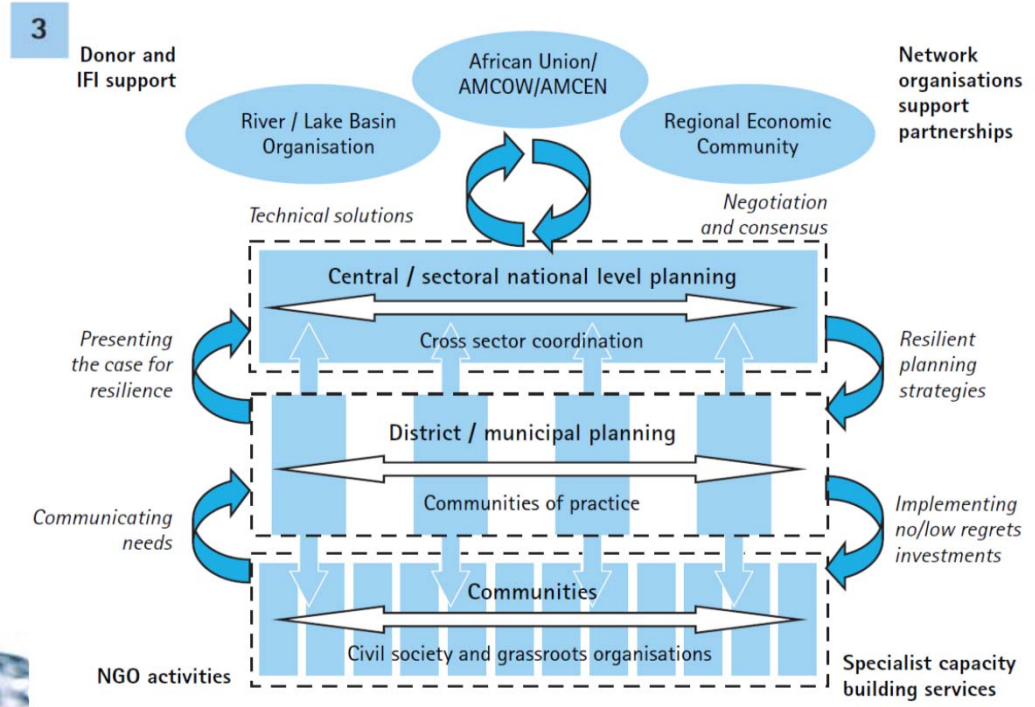


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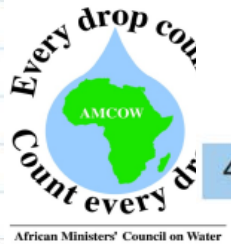
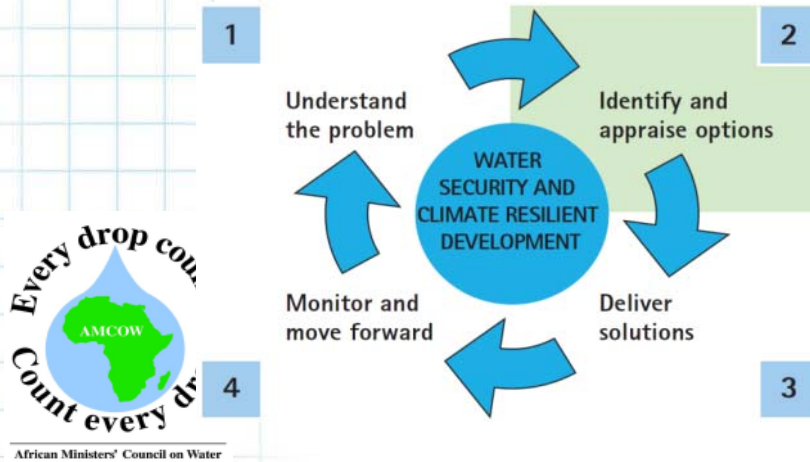
The Strategic Framework process – Phase 2



Cross sector dialogue to identify new opportunities for no/low regret investments. Building partnerships to drive innovation and manage resources effectively



The Strategic Framework process – Phase 2



• Robust Decision Making (RDM)

- Process for making decisions under uncertainty
- Uses multiple scenarios of climate and development futures to 'test' performance of investment options
- No/low regrets investment options prioritised over climate risky investments
- Risk reduction measures promoted to deal with residual risks

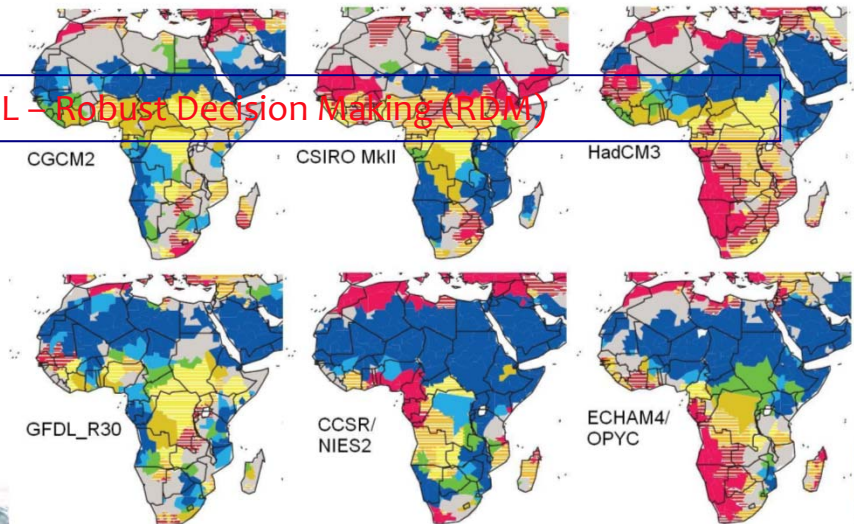


TOOL – Robust Decision Making (RDM)

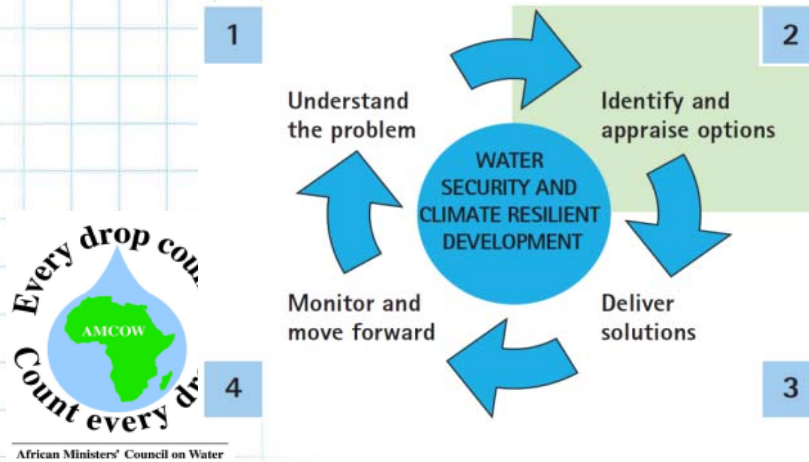
% change compared to 1961-1990



Change less than one standard deviation shown in grey



The Strategic Framework process – Phase 2



• *Making the case for priority options*

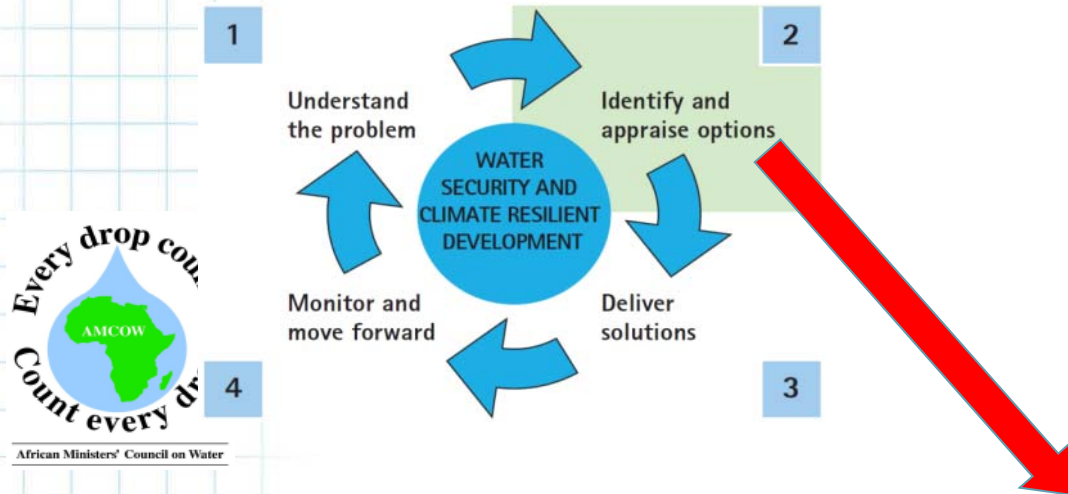
- Economic appraisal techniques are key to make the case for investment
- Estimating social and environmental costs is also important in ensuring decisions are equitable. An ecosystems approach can highlight ecosystems services.



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TOOL – Benefit Cost Analysis (BCA), Cost Effectiveness (CE), Multi Criteria Analysis (MCA)

The Strategic Framework process – Phase 2



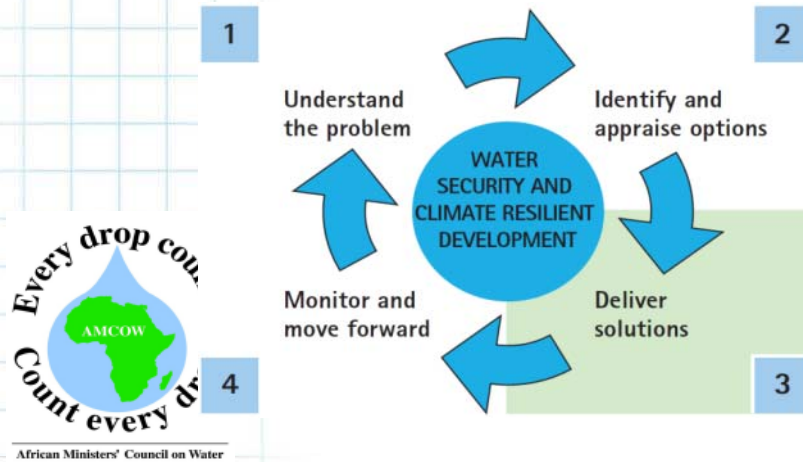
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OUTPUT

Balanced portfolio of no/low regret priority investment options and measures for risk reduction to existing assets and planned projects / programmes.

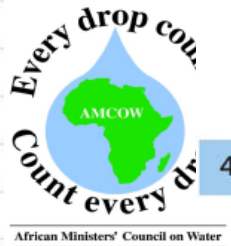
Portfolio presents a strongly argued case for options using RDM to test resilience and economic appraisal techniques to ensure viability.

The Strategic Framework process – Phase 3



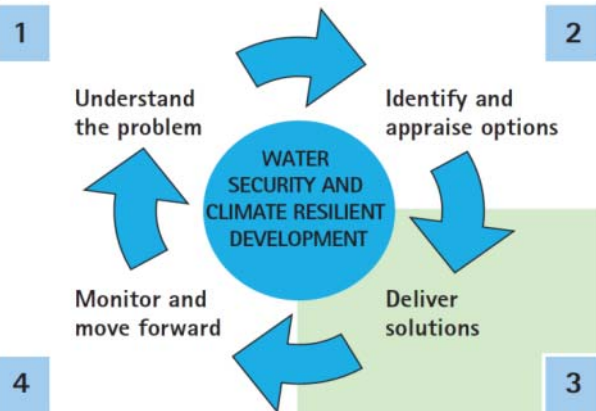
• *Delivering solutions*

- Integration of investment into development planning
- Developing financing strategies for priority investment options and bringing financiers together with planners
- Mainstreaming climate resilience in development planning



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The Strategic Framework process – Phase 3



Delivering solutions

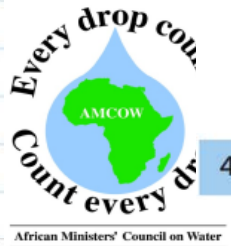
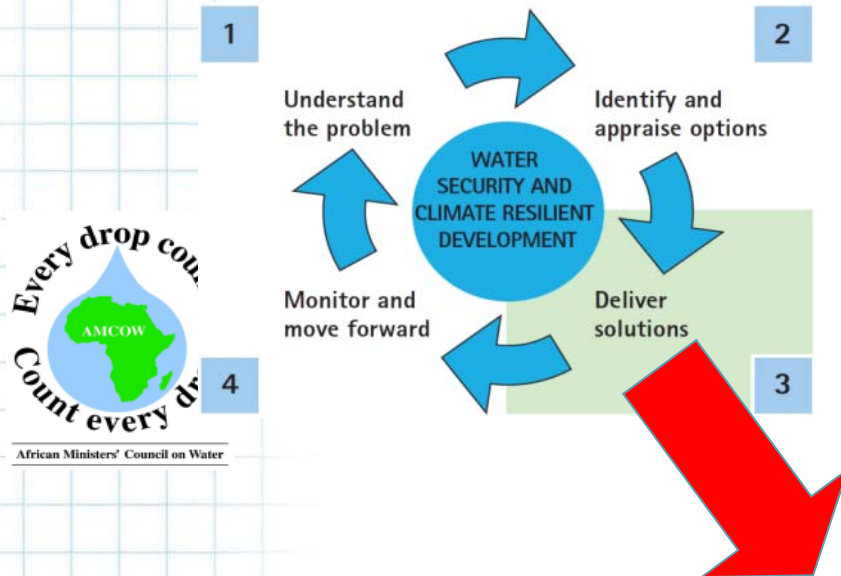
- Developing financing strategies for priority investment options and bringing financiers together with planners, making use of innovative approaches 3 Ts (Tariffs / Taxes / Transfers) and emerging funding sources

- Repayable loans (e.g. WB, AfDB, EIB)
- Non-OECD finance
- Public Private Partnerships
- Finance blending (EU Infrastructure Trust Fund)
- Catastrophe risk finance
- Specialist climate funds

- *Green Climate Fund*
- *Global Climate Change Alliance*
- *International Climate Initiative*
- *Adaptation Fund*
- *Least Developed Countries Fund*
- *Special Climate Change Fund*
- *Millennium Development Goal Fund*
- *Pilot Programme for Climate Resilience*



The Strategic Framework process – Phase 3

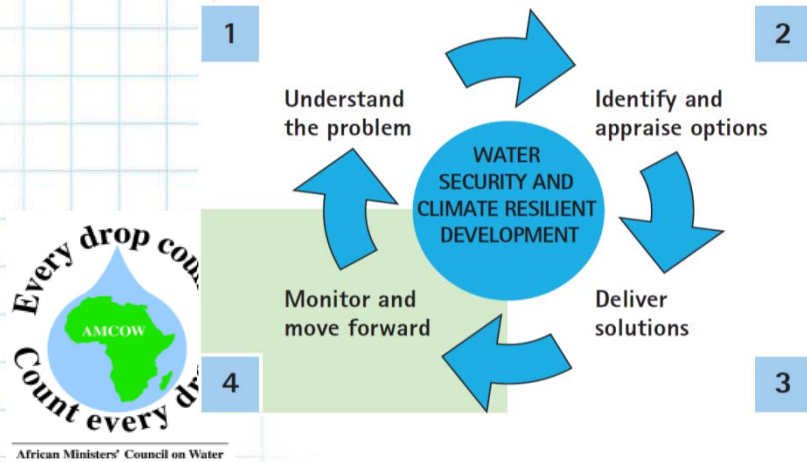


OUTPUT

Investment strategies integrated into development planning

Investment strategies developed for priority options

The Strategic Framework process – Phase 4



• *Monitoring and moving forward*

- Lessons learnt from the Framework process
- What can be upscaled, mainstreamed and repeated?
- Monitoring indicators and processes for measuring progress towards implementation
 - Indicators for Framework implementation (short / medium term)
 - Indicators for implementation outcomes (long term)
 - Expenditure review (CPEIR)

• Examples of indicators for Framework implementation (IIED, 2011)

- number of programmes using climate information in design;
- performance of national planning system in conducting adaptation;
- proportion of programmes modified in design to become more climate resilient;
- number of mechanisms that target climate vulnerable people;
- use of a regulation requiring effective screening

Advice for Ministers

5 Policy Briefs
communication Tools



Distil the key messages from the Strategic Framework for decision makers



Six themed briefs in a series

1. Summary of the Strategic Framework
2. Water Security for Development in an Uncertain Climate
3. Building on the Foundations of Integrated Water Resources Management
4. Ensuring Adaptation At All Levels
5. Managing Risks and Making Robust Decisions for Development
6. Innovative Approaches to Water and Climate Financing



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Investing in water security
for climate resilient growth and development
Policy Brief | No. 1

Water Security for Development in an Uncertain Climate

Key messages:

- Integrating water security and climate resilience into development planning, rather than pursuing it as a separate agenda, is a good long-term strategy.

Improving water security is a prerequisite for growth, development and poverty reduction. It is the link between food, energy and economic growth. Yet, most African countries are far from achieving water security, and without it their development prospects are compromised. As climate risks increase, water security becomes even more difficult and costly to achieve.

Strategies, plans and investments that promote sound water resources management are a cost-effective way of delivering immediate development



Investing in water security
for climate resilient growth and development

Policy Brief | No. 2

Building on the Foundations of Integrated Water Resources Management

Key messages:

- Water security and climate resilience are vital cross-sectoral themes in national development strategies.
- Leadership from central government is required to coordinate climate resilient

Water security is key to the realisation of Africa's development goals, and is also the primary medium through which climate change impacts will be felt. Building climate resilience into development across water dependent sectors – water supply and sanitation, agriculture, energy, environment, and others – is key to achieving long-term sustainability but will demand strong cross-sectoral integration and coordination. Building on IWRM foundations is an effective way to fast-track the integration of climate resilience in development planning.



Investing in water security
for climate resilient growth and development
Policy Brief | No. 3

Ensuring Adaptation At All Levels

Key messages:

- Vision and drive to make development more climate-resilient is vital at all levels of governance and within sectors operating at each level.

Africa is one of the regions in the world most vulnerable to climate change. Climate resilient development cannot be achieved by simply addressing the risks at a project or programme level. Vision and drive to integrate climate change into development planning is vital at all levels of governance. The first step is to embed this vision in central government so that line ministries take up the challenge of climate change in their policy formulation, planning and implementation. This requires their participation in River and Lake Basin Organisations



Investing in water security
for climate resilient growth and development

Policy Brief | No. 4

Managing Risks and Making Robust Decisions for Development

Key messages:

- Despite growing scientific consensus about the likelihood of future climate change there is a wide margin of

There are wide margins of uncertainty in future climate change. Leaders of today and tomorrow will need to embrace this uncertainty in their decision-making processes if timely progress is to be made toward achieving water security to underpin economic growth and climate resilient development.



Investing in water security
for climate resilient growth and development

Policy Brief | No. 5

Innovative Approaches to Water and Climate Financing

Key messages:

- The cost of achieving water security for Africa will be tens of billions of dollars each year. Making development climate resilient could add another US\$10–15 billion annually.
- Investments in water security

Building water security and climate resilience into development activities is key to achieving long-term sustainability, but requires much higher levels of investment than at present. Innovative approaches to financing are needed to make sufficient funding available. Financing strategies will benefit from a blend of traditional water finance sources alongside specialist climate finance.

What will water security cost?

necessary) the extra external public funding needed to give these investments climate