

The private sector perspective on M&E and standards for adaptation

Notes for Technical Expert Meeting on Adaptation

Effective policy frameworks and institutional arrangements for
adaptation planning and implementation

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The Private Sector is a new player in Adaptation

Businesses are already an important actor in mitigation

- Emerging interest on adaptation
- The key drivers are:
 - Regulation and governance regimes
 - Increasingly visible impacts on business continuity
 - Financial and insurance risks
- I focus my comments on how to further enhance adaptation action by the private sector, create incentives, start creating the business case for opportunities in adaptation, and contribute to an enabling environment.
- This means distinguishing between M&E and Standards but recognizing their overlap (***many M&E efforts are simply informal standard setting processes***), and interdependencies.
- The best language to bring the private sector on board is the one used everyday, to open up the box of how existing standards need to be adapted to climate change & potential need of new standards.

So first on the concept: Measuring progress and performance

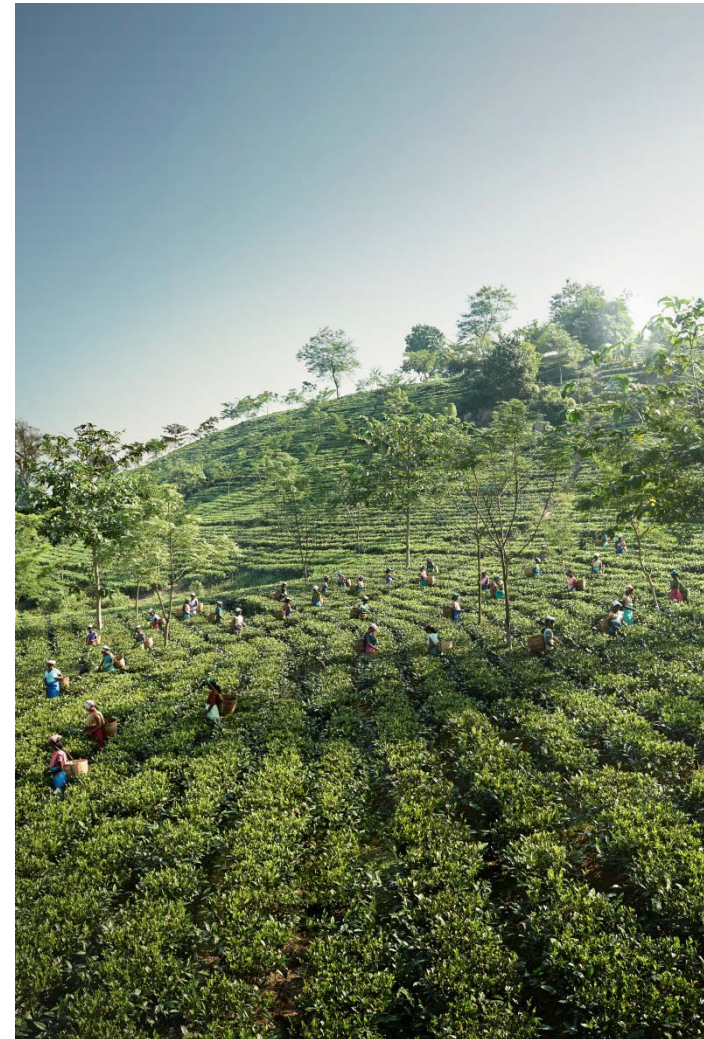
- M&E is about measuring progress and performance, and this, along with evaluating and verifying compliance with particular regulations or norms are common tasks among businesses
- However there are different terminologies
 - M&E emerge from development aid, or ODI driven evaluation of investments on projects
 - In the private sector, is more common to see other terms such as:
 - MRV- monitoring, reporting and verification
 - EMV: Evaluation, measurement and verification

the key difference is perhaps a different meaning of the terms, rather than the acronyms:

Businesses monitor and evaluate against recognized standards: in order to identify whether a goal has been achieved , a specific process has been followed or to demonstrate compliance with specific norms (whether voluntary or legally binding)

Emerging efforts to standardise adaptation to climate change is very important for enhancing opportunities

1. Debate on monitoring and evaluation
2. Incipient effort among standard organisations
3. Development of adaptation “guidance” by many actors
4. **The importance of standards is what they actually do, and in this regard they are very different from traditional M&E**
5. Also, establishing proper *standardisation processes can be one the most effective ways to integrate adaptation considerations in the way business operate*



Standards are tools to get the private sector on-board adaptation

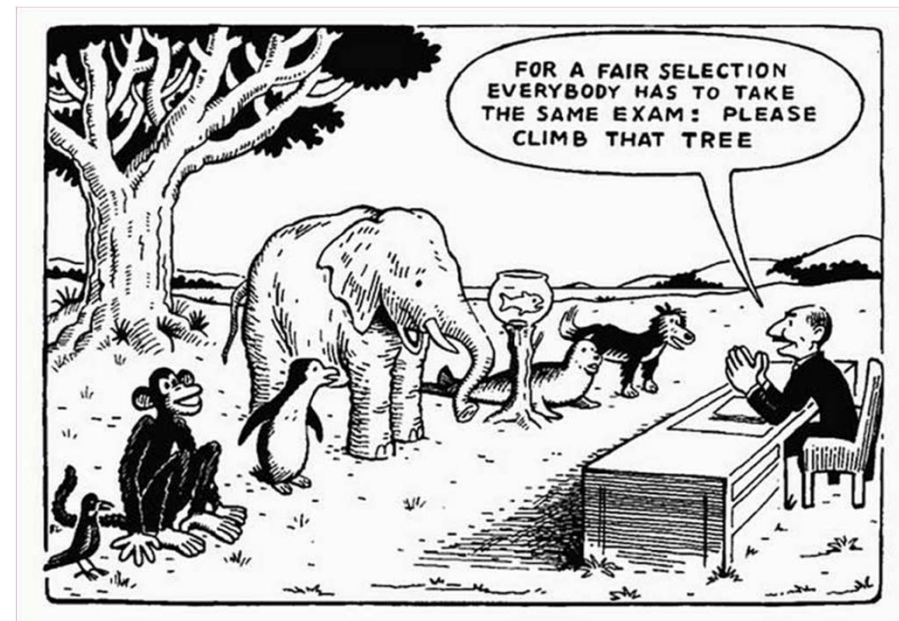
- Standards are everywhere and they can be the key to bring the private sector as a key actor in adaptation
- Standards do:
 - provide the infrastructure of the global economy
 - promote coherence and facilitate sharing of best practices
 - enable knowledge and technology transfer
 - Enable translation across societal actors
 - Not only do they facilitate but they also shape demand and enhance innovation
- Standards are also social, political and normative



Source: GRID Arendal

Mainstreaming adaptation into action through standards

- Considering how central standards are in the working of private sector actors,
- And considering standards are a form of governance:
- We can say that a successful process of generating legitimate and equitable standards for adaptation will go a long way in mainstreaming adaptation action and accountability into the everyday working of the business sector
- And of course it is important to understand what can and what cannot be standardised or measured



The standards landscape: many actors create and participate in these processes

Formal standards

- Developed by recognised standards organisations
- Legitimacy through voluntary consensus standard setting

Informal standards

- All other standards
- Norms, rules, guidelines, industry recommended practices
- Some fit the ISO definition
- Input to formal standards

There are standards for nearly everything

Standards can be classified as follows (Timmermans and Berg, 2003):

Design standards

Structural specifications

Terminology standards

Meaning specifications

Performance standards

Outcome specifications

Procedural standards

Specification of processes

A suggestion for UNFCCC Adaptation Committee

- This debate about M&E and governance frameworks needs to include an in depth debate on emerging efforts to ***understand the relation between standards and adaptation and then the role of M&E and other compliance tools such as MRV and other verification mechanisms.***

- ***UNFCCC Adaptation Committee is a key player in this debate, and could convene such debate (with other partners) and provide guidance***

- ***A lot of learning and work is already out there:***
- We need first to ***adapt existing standards to climate change.***
 - The global economy and the everyday work of most industries is regulated by standards, an many of those will need to be climate proofed.
 - CEN CENELEC is looking into this / emerging discussion in ISO
 - But other actors are also important such as sectorial organizations with key relevance for adaptation

A suggestion for UNFCCC Adaptation Committee

- Any work that is emerging **designing new standards** against which then many actors will monitor and evaluate is of critical importance.
- We know that what gives legitimacy and credibility to standards organizations is the “process” of generating these standards. But these take a often too long time.
- There are many actors engaged in **informal standard setting processes – protocols, guidance, recommended practices**
- Possible to convene/reach out to those who are already working on adaptation & use business organizations and forums (such as We Mean Business, WBCSD, Sectors..)
- The adaptation community and certainly the adaptation policy community needs to **be part of the process, help shape it, find ways to assure** those processes are indeed legitimate, equitable, and responsible to what has been learned on what works and what does not work on adaptation to climate change.