On behalf of
Federal Ministry for the Environment, Nature Conservation and Nuclear Safety
of the Federal Republic of Germany

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

AdaptationCommunity.net

Analysing budget and development planning processes for mainstreaming climate change adaptation

Follow-up to developing a national M&E system for climate change and adaptation

Consultancy report

Summary version

Background

A German and a Grenadian consultant conducted interviews and collected relevant documents at the end of November 2013 in Grenada. Their deliverables were: 1) A report that provides a detailed specification of entry points and concrete steps for integrating adaptation to climate change in existing Grenadian structures and processes, 2) A detailed inventory of M&E systems and a stepwise guidance paper on how to develop an inventory of M&E systems.

This document is a summary version of the overall report (50 pages). Views expressed in this report are those of the author – Alfred Eberhardt - and do not necessarily reflect the views of GIZ or its funders. For questions and further information, do not hesitate to contact the ICCAS team!

Mainstreaming: Analysing budget and development planning processes for mainstreaming climate change adaptation (CCA)

Why mainstreaming?

There are two major reasons for mainstreaming CCA: one rather technical and the other rather financial.

Technical: Climate change can endanger human health and life – either directly through disasters or by damaging the productivity of critical development resources such as crops and livestock, forest, fisheries and water. To avoid this, climate change risks needs to be considered and anticipated when deciding, e.g. where and how to build infrastructure, what crops to plant and when to plant them, what species to reforest, which health services to provide in the future, which crops and agricultural techniques should be preffered and how the water supply system should develop in the light of climate change.

Financial: the international community has established various funding mechanisms to support countries in their efforts to mitigate or to adapt to climate change. Many activities and projects Grenada needs to undertake in the near future have a considerable relevance with regard to climate change. Hence, Grenada could attract additional funding for these activities, thus reducing fiscal pressure. Measures to mainstream CCA will support Grenada's requests for funding from the climate change financing mechanisms.

What is meant by mainstreaming of climate change adaptation?

Thus, the idea of mainstreaming adaptation is to systematically include climate risk and adaptation considerations in decision-making and planning processes instead of only implementing 'stand-alone' adaptation measures. This can take place at different levels (international, national, sub-national level; sectoral and project level) and in different areas of decision-making (policy-making, planning, budgeting, implementation). It is therefore important to detect where and when decisions are taken and thus identify entry points for integrating CCA considerations.

What was the feedback from interview partners?

All interviews within this consultancy documented great openness for mainstreaming climate change adaptation. The concern was less the need for mainstreaming as such but the **'how'**: Mainstreaming is far from being trivial and needs specific strategy approaches as well as tools. An approach promoted by GIZ is "climate proofing".

What entails "climate proofing"?

It is an overall approach and has the objective to systematically analyze climate-related risks that could affect policies or projects and to prioritize adaptation measures. It follows a four-step approach:

1) Identify current and future vulnerabilities related to a planning or decision context;
2) Evaluate the need for modifying a plan or decision
3) Identify and select options to modify a plan or decision/to integrate adaptation measures;
4) Evaluate success of adaptation.

Ideally, climate proofing takes place during the initial drafting and planning of measures or during the re-orientation and updating of the planning phase.

What are the key recommendations/ suggested next steps?

- "Climate proof" critical plans: It is suggested that the "climate lens" tool is applied with regard to the review process of the National Strategic Development Plan (NSDP) and the "prioritization" tool is applied to the Corporate Plan for the Ministry.
    - "Climate lens": screening the elements of the NSDP concerning climate change relevance. Adjustment proposals would be elaborated and ideally, adopted by the NSDP revision team. The main aim is that the NSDP's goals are reached better in the face of climate change. It is a fairly speedy process and requires little resources.
    - The "prioritization" tool is used to identify the most important climate change adaptation measures – given the limited funds and resources in Grenada. Having transparent criteria will enhance attractiveness for donor support. The Corporate Plan is especially relevant since many explicit and hidden CCA measures are reflected already in the running plan.
- Apply "Labeling" to the Budget 2014, i.e. upon adoption of the Budget (i.e. ex-post the budget process, to avoid any disturbance or delay) - the budget lines with climate change relevance will be highlighted to identify the overall "climate change share" of the budget.

With these activities, Grenada can place itself as one of the front-runners in Climate Change mainstreaming and can use these activities to increase its attractiveness for donors or other investors and hence receive additional financial support from climate funding mechanisms.

Proposed action plan

What?	When?	Responsibility
Provide background information on the suggested interventions (see above)	January 2014	ICCAS project develops concept note and provides further advisory services, if requested
Meeting of PS and PS MoF (invitation to ICCAS) to discuss amongst other things ex-post labeling of budget 2014	February 2014 (date to be confirmed)	PS MoA, ICCAS project
Directive of PS and PS MoF to conduct the ex-post labelling	After the meeting	PS MoA and PS MoF
Gain information about NSDP revision process from Ministry of Finance (MoF)	Before PS meeting with MoF (February 2014)	PS MoA
Initiate discussion on PS Board for "climate-proofing" NSDP	19th February 2014 (PS Board Meeting)	ICCAS develops presentation on mainstreaming CCA PS as initiator of discussion
Directive to climate-proof the NSDP	During or after the PS Board Meeting	All PSs
Discuss climate proofing of the Corporate Plan	At planning meeting on 25th February	Minister, PS, all Unit heads
Directive to climate-proof corporate plan	Before or after the planning meeting (February 2014)	Minister, PS

Nomination of revision/experts team (options developed by ICCAS project)	After directives are given	PS, ICCAS project

Follow-up to developing a national M&E system for climate change and adaptation

Why an M&E system for climate change and adaptation?
In order to strengthen the capacity of the Government of Grenada for adapting to the impacts of climate change a system for Monitoring and Evaluation (M&E) of adaptation should be developed that allows a) to allocate and steer adaptation interventions, to b) track success and failure with regards to adaptation measures and thereby allow for iterative learning processes in this relatively new field and to c) promote accountability and efficiency in funding. So far M&E of adaptation has primarily been conducted at project-level by donors and technical cooperation organizations. However, governments need information beyond the effectiveness of stand-alone adaptation projects. Ministries and departments need to know that what they are doing is lessening the impact expected. An effective national M&E system will support Grenada to attract international funding for projects, since it increases reliability and credibility.

What has been the progress so far?
The support of establishing an adaptation M&E system in Grenada is part of the portfolio of the ICCAS project. The M&E system is closely linked to other activities of the project, e.g. the access to international funds, and the adaptation strategy to be developed. A first consultancy on adaptation M&E was conducted in July 2013 and resulted in:

- an analysis of the framework conditions for the development of an adaptation M&E system;
- recommendations for approaches and key elements for the M&E system development, looking at:
    - the M&E system development process
    - the institutional set-up;

What are the recommendations following this consultancy?

- The water, precipitation and (selected) agro-data (available in the Land Use Division of the Ministry) have the highest potential for incorporation into the future climate change adaptation M&E system. This link should be exploited as a first step of the M&E development.
- A well-functioning and consistent GIS is of paramount importance for a consistent future monitoring and reporting system. Intensified efforts should address a synthesis or at least a better correlation between the GIS systems of the Ministry of Agriculture, Lands, Forestry, Fisheries and the Environment (Land Use Division) and the Ministry of Works, Physical Development and Public Utilities (Physical Planning Unit). This would require an institutional framework that outlines institutional focal points, roles and responsibilities, data sharing arrangements etc. This consolidated GIS could be established as the core of the future M&E system. Step-wise, other data systems can be incorporated such as: extended agricultural production data, irrigation data, vulnerabilities from floods, droughts, land-slides, coastal erosion.
- The quarterly reporting for the respective Corporate Plans will offer links to a result-based adaptation monitoring if improvements in respect to

inclusion of climate change adaptation goals and a stronger focus on results reporting will have been achieved.
- A great added value of the climate change adaptation M&E system will be based on the correlation of various data, e.g. among precipitation, water and agricultural production data, to allow conclusions on the evolvement of climate change impacts and adaptation successes.
- The M&E system should be kept open for further data extension and additional links to emerging systems through adequate interfaces.

Which next steps are suggested?

- Step1: Early start of a core M&E system. Development can start soon with a water based M&E system which also includes relevant agro-data. The framework for data documentation and correlation should be the "Water Information System" as operated in the Ministry of Agriculture, Lands, Forestry, Fisheries and the Environment (Land Use Division). It would be useful if interfaces or even interconnectedness with the GIS under the Ministry of Works (Physical Planning Unit) could be clarified and established from the beginning. Also other data with geographical relevance such as the vulnerability maps of the At Water's Edge project should be incorporated into a central GIS. The following indication fields might be relevant for the core system:
    - precipitation,
    - stream flow,
    - production of drinking and irrigation water,
    - agricultural yields differentiated along regions and crop types,
    - crop acreage differentiated along regions and crop types.

- Step 2: Extension of the core M&E system. Especially with emerging results from the Droughts and Floods Early Warning System (DEWIS) project (from the Caribbean Institute for Meteorology and Hydrology) additional indication fields such as droughts and flood monitoring should step-wise be integrated into the core system. The exact indicators and data will depend on the progress of DEWIS and other initiatives.

- Cross-cutting step A: The institutional set-up for M&E system development should be established at the beginning of the whole process. An M&E system is not a goal in itself but it has to be connected to political / subject related goals and implementation processes. It could be an option to have one technical group under the still to be revived Climate Change Committee being responsible for mainstreaming as well as for M&E. A further option would be to establish a M&E coordination group of officers directly involved in M&E, potentially headed by the officer with responsibility for the GIS in the Land Use Division (as a crucial unit for the core M&E system).

- Cross-cutting step B: Define an implementation plan for the M&E system. Even for the core M&E system with limited scope, important aspects of regular implementation should be clarified. Important question include:
    - Who are responsible actors for data collection, processing and evaluation?
    - What are the specific levels (local – regional – national) of data collection for each indicator?

- Who condenses gathered information to consistent reports, which are especially providing focused support to decision-making?
- In which way will different actors cooperate? Specification of process flow.
- Which resources (funds, personnel, equipment) are necessary for the M&E system? Who provides which resources?
- Time horizons and frequency for data collection, assessment and reporting.

- Cross-cutting step C: Regular reporting. Based already on the core M&E system, a biannual reporting should be established. It is highly important to go beyond just narrative reports and compilation of data sets but include analysis, interpretation and condensed conclusions for the decision-makers.

Immediate next steps

What?	When?	Responsibility
Discuss proposed steps internally and revise, if required	February 2014	Focal point for WIS (Land Use officer), ICCAS project
Arrange meeting of Physical Planning Unit, WIS focal point of MoA and ICCAS to discuss step 1	February/March 2014	PS MoA and PS MoW