Delivering Benefits to the Poor: A framework for integrated climate response at the Local Level

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SECTION 1

Framework for Integrated Climate Response at the Local Level
1. Introduction

The year 2015 will see the global development community agree on the Sustainable Development Agenda and launch associated Sustainable Development Goals (SDGs) which will deliver on economic, social and environmental objectives. There is a recognition that there are critical links between climate change and sustainable development. Strong SDGs both require, and will help in, promoting and implementing ambitious climate action. Equally, strong climate action should complement and help to achieve the SDGs. Successful implementation of the sustainable development agenda will require strong political commitment, an enabling domestic environment and a ‘whole of government approach’ in order to achieve long-term sustainable development. In particular national planning and budgeting processes will be a key instrument in ensuring an integrated approach to delivering on SDG goals. The Third International Conference on Financing for Development outcome document, the Addis Ababa Action Agenda, proposes country level action characterized by National Sustainable Development Strategies (NSDSs) supported by Integrated National Financing Frameworks.

At the heart of this are the poor and vulnerable people and communities whom the global development community aims to reach. The SDG agenda has a focus on eradicating poverty and inequality and enshrined the key principle that ‘No-one gets left behind’. At the same time, climate change and climate vulnerability will negatively affect people, particularly the poor due to various shocks and stresses associated with it. The global climate change negotiations under the UN Framework Convention on Climate Change (UNFCCC), acknowledges that climate change must be tackled as one component of the sustainable development agenda especially since international climate funds are anticipated to exceed current Overseas Development Assistance (ODA). It is, therefore, important that climate finance is effectively managed in the context of financing sustainable development and targeted at the most vulnerable, providing them with the means to build resilience and contributing to the eradication of poverty. This requires countries to strengthen the governance of climate change finance at both national and sub-national levels in order to ensure that the poor and vulnerable are adequately protected from the effects of climate change and benefit from well-planned national and sub-national adaptation and mitigation investments and programmes whether directly or indirectly. This requires systems and institutions at the local level that can effectively plan and manage finance and deliver integrated programing that can build resilience.
This paper proposes a Framework to better manage the climate response at the local level (see Box 1). It recognises that any local climate action must be grounded in a broader development context and that multiple players need to be engaged at local level in order to build resilience and achieve wellbeing outcomes in the long term. The Framework titled Framework for Integrated Climate Response at the Local Level (hereafter called: The Framework), is centred around local planning and budgeting processes and outlines the capacities (finance, human resources, technical and political) and processes (planning and budgeting) that need to be in place and strengthened at local level in order to produce local development plans that are climate sensitive and risk informed. These improved local development plans can then form the basis on which local budget allocations are made, integrated programmes are implemented and social audit processes are governed. The framework takes into account the different ways in which climate change will affect the core aspects of a local governance system.

The Framework has been developed under the SIDA Funded UNDP regional programme on ‘Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable’. See annex (1) for more details on the UNDP regional programme. The Framework brings together the experience from local climate public expenditure and Institutional Review (CPEIR) analysis under the regional programme with principles found in the Community Resilience Conceptual Frameworks developed by Tango. It also builds on UNCDF’s LoCAL initiative for channeling climate finance to the local level through providing performance based grants to local government and draws on the experiences from several local government programmes and community resilience and climate change programmes from Bangladesh, Cambodia and Indonesia to consider the broader systemic challenges of local government planning budgeting and coordination. While the framework touches on the different functions of local governments to enable climate resilient planning, its focus is on the role of the local development plan in enabling a coordinated and integrated approach on the use of climate finance – from resourcing, planning, delivery, through to monitoring and evaluation.

**Box 1 - Throughout this document, the following concepts and terminologies are used:**

**The local level** can be described as the arena that is lower to the national level. Depending on the political and administrative context of a country, it can be the meso (sub-national, regional, provincial etc.) or micro-level, (districts, villages, wards, etc.).

**Local Government (LG)** – LGs are formal institutions, with both elected representatives and civil servants, mandated to deliver a variety of public goods and services at the local level. LGs vary depending on population size, number of tiers in the local government system, urban vs. rural, mandates, functions, human and financial resources etc.

**Local government bodies (LgBs)** – these include line departments (also called line ministries) who represent the interest and mandate of sectoral ministries at the centre. Their level of decision-making depends on the level of decentralisation. In addition, other actors such as local/central oversight institutions, public owned enterprises, and special committee.

**Local Governance** - refers to the ways in which all local level decision-making is carried out, including all actors at local level, including LGs, LgBs, NGOs/CBO/CSOs, and communities and others as appropriate. The normative term ‘good local governance’ implies that decision-making in the arena of local public affairs is, to varying degrees, subject to the scrutiny and oversight of citizens and is transparent and participatory.
2. Why a Framework at the Local Level?

Governments across the globe have developed national climate change strategies and action plans. These form the basis for national and sub-national climate action. However, there is growing recognition of the importance and benefits of operating at the local level. The local level is indeed where the climate response happens. Local stakeholders have relatively better access to local knowledge about weather variabilities, ecological zones, local traditions and culture and indigenous practices. Local actors can mobilize communities, resources and promote participatory action more effectively. Indeed, local actors have not been waiting for external assistance but are already contributing to resilience building against climate shocks and stressors as part of local autonomous adaptation. Local Governments Bodies (LgBs) by virtue of their area-based mandates and with smaller scale, may be able to demonstrate cross-sectoral/integrated climate solutions better than that at national level where climate change issues are larger in scale, more complex and tied to the mandate of one national ministry, mostly the Ministry of Environment (which often does not have presence at the local level). The role of local government (LG) is therefore critical in ensuring a co-ordinated local climate response. The Framework is designed to support local government Institutions, guide programming at the local level, build complementarities to autonomous adaptation efforts and identify best practice models that are cost-effective.

Local Governments (LGs) are the channel through which national policies and commitments on climate change can be implemented. Their proximity to the poor and vulnerable, and the underlying processes that enable the active engagement with communities lends themselves to producing a more inclusive and responsive climate action. Therefore, strengthening LGs’ capacities around planning and budgeting processes that produce comprehensive and risk informed local development plans, based on realistic resource projections is important.

The Framework’s focus on the local level also recognises LGs central role in coordinating local service delivery and strengthening platforms for dialogue across LgBs and other stakeholders at local level on development outcomes. Climate change can have several implications on both the capacities of LgBs and other stakeholders to deliver services, as well as on the development impacts of the services delivered. For example:

- **Infrastructure delivery.** Climate change adaptation and mitigation will involve retrofitting existing structures to better handle climate risks such as flooding, constructing new infrastructure such as flood protection walls or replacing infrastructure with new climate proof designs. This requires great technical capacity at local level. Climate change risks will also have to be addressed through improved land use planning and zoning that avoids developments on high risk areas (such as low-lying, flood prone, areas or steep slopes), strengthening building codes to make infrastructure disaster/climate proof and energy efficient.

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1 UNDP UNCDF UNEP. 2010. Local Governance and Climate Change - A Discussion Note : December 2010
2 UNDP Bangladesh. 2014. Policy Brief – Planning and Financing of Community Resilience in Bangladesh
• **Social Service Delivery.** Most social service sectors including health and education are climate sensitive and will have to be re-oriented to address existing and or potential impacts. For example, health services will have to prioritise climate-induced health risks such as vector-borne diseases, extreme weather events that cause injuries, deaths, water contamination etc. Droughts and heavy rainfall can reduce crop yield and exacerbate malnutrition. Also, mainstreaming climate into education systems will address issues of access to education in the face of climatic shock. Strengthening access to the quality of education and skills can help to improve employment and livelihood adaptability and increase adoption of technology thus building adaptive capacity in the population.

• **Natural resource management.** Natural resources have multiple roles. They serve as natural barriers to climate related hazards and forest reserves reduce carbon emission. They serve as important sources of food production, water and livelihoods. Developing and enforcing regulations to protect natural resources, to implement conservation and management models to ensure sustainable use of resources is key to resilience building at the local level and can be a potential revenue source for local governments, if user fees are in place.

• **Livelihoods.** Livelihoods can be threatened by climate shocks. To address long-term consequences of climate change, communities can be supported with a wide range of adaptive responses such as water-harvesting, increased human mobility, crop diversification, seed selection for drought-resistant cereals, soil and water conservation and flood management.

• **Social Protection.** With increased climate vulnerabilities and climate induced disasters, social protection measures will have to be broadened to include risk insurance or welfare schemes to those affected by climate change events. The poor are the most negatively affected from climate events and strengthening social protection for the poor overall will help them to cope better and improve their resilience in the long term.

• **Disaster risk management.** The Fifth Assessment Report (AR5) from the Intergovernmental Panel on Climate Change (IPCC) indicates that climate change will increase the frequency and intensity of natural disasters and hazards such as flooding or typhoons. Disaster risk management capacity by putting in place risk management plans including early warning, evacuation protocols, and emergency stocks is a priority. LGs are already at the forefront of managing disaster response.

A variety of national instruments exist for financing climate actions at the local level. Central governments make financing available for specific climate change projects that are approved centrally or regionally. Some countries have created dedicated funding mechanisms that provide grants to climate change related projects for which local stakeholders can apply. For example, under REDD+ programs, national governments make transfers to LGs and these transfers are contingent on results. It is worthwhile to note that financial resources for climate response at local level exceed absorptive capacities, however, the

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3 UNDP UNCDF UNEP. 2010. Local Governance and Climate Change - A Discussion Note: December 2010
5 UNDP UNCDF UNEP. 2013. Financing Local Responses to Climate Change - Implications of Decentralisation on Responses to Climate Change
fragmented nature of these resources further limits the effectiveness of expenditures. This also affects the overall development impact of climate interventions. It is encouraging that the emphasis on local actions is already recognized in the governing instrument of the new global climate fund, the Green Climate Fund (GCF)\(^6\).

This Framework can be utilized to strengthen existing capacities and processes to increase local stakeholders’ access to and delivery of climate finance. UNDP recognizes that climate finance creates an opportunity to address long-standing poverty and equity issues, including gender inequality and other forms of social injustice.\(^7\) This Framework, therefore, integrates climate, poverty and gender dimensions into planning and budgeting processes and illustrates how these issues can be addressed in a holistic manner. The Framework goes on to emphasise the importance of robust project design in order to ensure that local actions deliver on both climate and development objectives. This paper is divided into two sections, The first outlines the framework and its components and the second provides supporting tools and principles for good integrated programme and project design.

The Framework touches on the different functions of Local Governments to enable climate resilient planning, focusing on facilitating a coordinated and integrated approach for the use of all sources of climate finance – from resourcing, planning, delivery, through to monitoring and evaluation. Figure 2, outlines the core component of The Framework.

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\(^6\) Article 31 of the Governing Instrument explicitly states: The Fund will provide simplified and improved access to funding, including direct access, basing its activities on a country driven approach and will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects.

\(^7\) UNDP (2011), Ensuring Gender Equity in Climate Change Financing; Methodology adapted from Hart, Craig A. (2013), Climate Change and the Private Sector, New York: Routledge
3. Defining the Local Governance System

The paper takes note that local government structures, mandates, institutions, systems and capacities vary widely across regions, countries and between rural vs urban settings. The level of decentralisation, in particular, has implications for how LgBs are structured and function. Box 2 outlines the types of decentralisation across Asia Pacific. Based on local governance literature, this Framework presents a generic view of local government’s various capacities, processes and outputs (primarily plans). It seeks to provide a model that can be tailored to specific countries and localities. This allows the Framework to establish the conceptual application of the climate/poverty/gender lens at a generic level.

**Box 2. Types of decentralisation**

**Political decentralisation** is a process whereby citizens and their elected representatives have more control in the formulation and implementation of policies.

**Administrative decentralisation** takes place when there is a redistribution of authority, responsibility and financial resources for the provision of services among the different tiers of government. The degree to which this happens varies. Firstly, *deconcentration*, which can be manifested through strong field administration under the supervision of central government ministries, is a weaker form of decentralisation, as the decision-making authority remains at the central level. A more significant level of decentralisation occurs through delegation, where central governments transfer responsibility for decision-making and the administration of public functions to organisations that are not fully controlled by the central government, but are still accountable to it. Finally, the most evolved form of decentralisation happens where the authority for decision-making, finance, and resource mobilisation is transferred to the sub-national level through devolution.

**Fiscal decentralisation** refers to the division of spending responsibilities and sources of revenue between levels of government (i.e. national, regional, local). To ensure that finance is used most effectively and channelled to where it is needed, it is necessary to understand how expenditures are assigned to different levels of government and to align the response to climate change accordingly.

*Source: UNDP UNCDF UNEP. 2013. Financing Local Responses to Climate Change - Implications of Decentralisation on Responses to Climate Change Responses to Climate Change*

The core components of the Framework, i.e., the capacities, processes and plans, apply broadly to the local governance system as a whole. This means that the activities outlined in the Framework are relevant to all local level actors as described in Figure 1 below. The Framework focused on LG as the lead stakeholder due to its central role, and mandate vis-a-vis coordination of development activities at the local level. This is particularly relevant because of the cross-cutting nature of climate change, gender, and poverty.

LGs coordinate to provide a range of services either by themselves or in concert with other local level or national actors. Line ministries/departments, development partners, and community based initiatives provide finance and implement projects and activities on the ground. Therefore LG’s coordination function is critical to the overall delivery of climate action.

The Framework also recognizes the strategic role of other important, though not institutionalised, actors such as NGOs and CBOs (both local and international). NGOs and CBOs can play the catalytic role of facilitating participatory exercises, to support local development planning, budgeting and to facilitate measures to build public accountability. NGOs and CBOs have the comparative advantage of a focus on grass-root activities and can act as the interface between LGs and communities particularly as they already implement various projects and programs.
alongside LG. The Framework acknowledges the role of these actors in informing and developing the climate responsive risk-based comprehensive local development plan and in aligning subsequent local interventions to it thus building synergy and critical mass in achieving resilience and well-being outcomes for communities.

Communities more generally are also considered a key stakeholder, not least because they hold local governments accountable, but also because their autonomous actions need to be taken into account. Finally, the Framework also recognises the role of the private sector as service providers, market actors and innovators, which is critical for achieving climate resilient solutions. Figure 1 below helps to illustrate some of the key actors at the local level, which, depending on the level of decentralisation (see Box 2), will have different types of interaction with each other. Importantly, their roles and mandates on cross-cutting issues such as poverty, gender, climate change are often not clear which further complicates the local climate response. In such instances, the role of the Local Government (LG), as an entity which has coordinating functions vis a vis development activities at the local level becomes particularly significant.

**Figure 1 – Local Stakeholders in the Local Governance System**
4. Delivering Benefits to the Poor – A Framework for Integrated Climate Response at the Local Level

This section describes the Framework for Integrated Climate Response at the Local Level (hereafter called The Framework) and outlines how to use it. The Framework is targeted to development practitioners who are engaged in climate change and resilience programming. Specifically, it can be used by practitioners at local level to manage the development process and inform the design of projects that build resilience in the long term. The Framework is complemented in Section 2 by a Guidance note with Tools and Principles for Integrated Programming for local project design and management.

The objectives of the combined Framework and Guidance Note are to:

1. Identify entry points within local governance systems and processes where climate, gender and poverty dimensions can be integrated.
2. Strengthen capacity and processes within the local governance system to optimise resource allocation and delivery of climate finance
3. Promote development of integrated projects and programmes that address both climate and poverty, and help to increase resilience

The Framework is divided into four components roughly aligned with the systems and processes of a local governance system.

- **COMPONENT 1: Functional capacities** across local government bodies – this includes finance, human resources, technical and political capacities.

- **COMPONENT 2: Core processes** – this is consolidated to three categories, including, planning, budgeting, and monitoring and evaluation. For these processes to be effective, a strong coordination mechanism is essential.

- **COMPONENT 3: Local development periodic plan** – this is the main output of the local governance processs, which is informed by the inputs from all stakeholders, and has broad ownership. Its core characteristic is that it is climate sensitive, risk-informed, and reflects budget realities. It is supported by a monitoring and evaluation framework.

- **COMPONENT 4: Local actions** – these are integrated programmes and projects which are aligned to the local development periodic plan.

The final section (section 4) provides overall reflections and conclusions. The Framework is intended to provide broad guidance on programming at the local level. It remains as a flexible document which can be updated, enriched and tailored as more and more program experience is gained.
The Framework acknowledges that the capacities, processes, plans and actions exist, in one form or the other, in all local contexts. It also acknowledges that many national programs and development projects already provide technical and financial assistance, to strengthen these components within the local governance system. The Framework’s main purpose is to highlight the integration of climate, poverty and gender within these components resulting in a more robust, climate sensitive and risk-informed periodic plan.

Box 3 - USING THE FRAMEWORK

The Framework proposes to strengthen existing capacities, processes and outputs of a local governance system through better integration of climate-gender-poverty analysis. The framework follows a series of steps summaries here:

1. Conduct a mapping of the capacities, processes and plans that are already in place in the target location. Then use the framework to map out gaps and entry points for engagement.

2. Conduct complementary analysis of the climate-gender-poverty considerations that are relevant to the local context, that can be addressed within the current capacities, processes and plans. This requires use of data from climate vulnerability mapping and poverty analysis etc. as outlined.

3. Identify Co-ordination platforms to bring relevant stakeholders together to discuss the existing development plan using the framework to reflect on gaps and ways to strengthen the plan’s climate responsiveness and risk management. These platforms should also consider elements resourcing and monitoring and evaluation of the plan.

4. Identify priority actions which can help to both augment existing capacities and processes to achieve the plan as well as deliver on planned outcomes in an integrated manner. Users can refer to Section 2 to identify tools and approaches and help to make informed decisions for climate responsive integrated programming. For easy reference, hyperlinks to appropriate tools and approaches in Section 2 are also provided under the various sections below.

5. Develop indicators for monitoring and evaluating implementation of the plans and identify the feedback loops that will lead to policy reforms and help to inform future plans.
Figure 2: A Framework for Integrated Climate Response at the Local Level
4.1 Component 1: Functional capacities across local government bodies

To execute the various responsibilities and deliver services discussed above, local governance actors require a range of capacities including finance, human resources, technical and political. To deliver climate finance and resilience building actions, the existing capacities can be augmented in the following ways (see Table 1).

1. **Finance.** The different sources of finance available at the local level include national government, state or provincial governments, donors, development agencies, private sector and locally raised revenues. Some of these are on-budget, while others are off-budget. Often LGs do not have access to all the information related to the available climate finance in their area. Furthermore, they lack capacity to assess the additional costs of climate actions. Some of the areas for improving LG financial capacities include: i) assessing available climate finance in the area from all different sources; ii) analysing and estimating additional costs of climate actions; iii) mainstreaming climate finance as part of the public financial management system at local level.

2. **Human resources.** LGs consist of political staff and civil servants with roles and responsibilities to support regular service delivery. While many local decision makers are aware of climate and weather variabilities, local political leadership and staff of LG can benefit from climate risk, gender and poverty sensitisation to prioritise resilience actions. Similarly, LG staff can be equipped with technical skills around resource mobilisation, integrated planning and budgeting and project design and management. Beyond LGs, human resource development can focus on other local level actors including NGOs and private sector, particularly in relation to the social audit function.

3. **Technical:** To enhance resilience building, local level actors particularly LGs require access to climate and disaster risk information, scientific predictions (including downscaled climate projections) and early warning devices to appropriately plan and address local climate-related needs in the short and long term. Where information gaps exist, LGs can also establish access to poverty and gender related information and data which is often held at national level. Similarly, LG need to be equipped with simple tools to conduct participatory assessments and tools to

<table>
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<tr>
<th>Local governance capacities</th>
<th>CC-Poverty-Gender dimension</th>
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<tr>
<td>Finance</td>
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<tr>
<td>finance for local service delivery</td>
<td>Additional costs of resilience action</td>
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<td></td>
<td>Climate finance for poverty reduction, gender inclusion</td>
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<tr>
<td>Political and civil servants</td>
<td>CC awareness and incentives</td>
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<td></td>
<td>Technical skills on CC, poverty, gender based solutions</td>
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<tr>
<td>Administrative skills</td>
<td>Management skills in CC, poverty, gender based planning, budgeting &amp; monitoring</td>
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<tr>
<td>Local information</td>
<td>Up to date risk, poverty and gender information</td>
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<td></td>
<td>Access to early warning devices</td>
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<tr>
<td>Basic tools</td>
<td>CRA, VRA, planning, budgeting, technology</td>
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<tr>
<td>Indigenous knowledge</td>
<td>Autonomous adaptation/mitigation know how</td>
</tr>
<tr>
<td>Mandates, regulation, policies</td>
<td>Clarity on resilience mandates and enabling national policies</td>
</tr>
<tr>
<td>Focus on day to day service delivery</td>
<td>Incentives for long term CC, poverty, gender solutions</td>
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support integrated planning, budgeting and reporting that incorporates climate related risks and needs of poor and women. At the same time, local actors have accumulated years of indigenous autonomous adaptation/mitigation knowledge. It is crucial to put in place a mechanism that incentivize LGs and local level actors to systematically capture this knowledge and transform it into active contribution to national policies and plans. This learning process itself will better equip LGs in future intervention design and implementation.

4. Political. As per the local governance laws and decentralisation acts, LGs have a range of mandates and responsibilities. While climate change and resilience building mandates are not specified in many cases, the relevance of resilience building hinges on LGs political mandate to deliver services in the face of various shocks and stresses. It is important to engage with the elected representative and political actors in LG to raise awareness on climate change impacts, and potential climate action. LGs can, however, benefit from national climate change and poverty reduction policies and action plans that can better guide integrated planning and budgeting at the local level. Incentives including access to climate finance and results/performance based financing can encourage LGs to move away from day to day matters to focusing on strategic long-term resilience building actions. Central governments can also clarify procedures for the incorporation of climate change considerations in planning and budgeting processes. Central governments can guide LGs and other local actors on how national goals and objectives on climate change affect the services provided by them and their consequent implications for plans and budgetary decisions. They also have a responsibility to build the necessary capacity to follow these processes as well as support awareness-raising at the local level. The framework provides LGs with tools to make some of these changes from the bottom up.

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8 UNDP UNCDF UNEP. 2013. Financing Local Responses to Climate Change - Implications of Decentralisation on Responses to Climate Change
4.2 Component 2: Core processes – planning, budgeting, and monitoring and evaluation.

The above mentioned capacities, including human resources, finance, technical and political capacities are utilised to execute local processes. Incorporating the climate, poverty and gender related additionalities, the Framework focuses on three core processes: i) planning, ii) budgeting, and iii) monitoring and evaluation as illustrated in Table 2.

Climate programmes have shown that if local people have the right tools, information, such as access to tailored scientific data, and opportunities for participation, their involvement in resource planning can lead to more sustainable, equitable and effective use of resources. Strengthening the three core processes will result in better local development plans, realistic budgeting and budget expenditures as well as improved resilience programming and results at the local level.

![Table 2. Local governance processes & climate change, poverty and gender implications](image)

<table>
<thead>
<tr>
<th>Local governance processes</th>
<th>CC-Poverty-Gender dimension</th>
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<tbody>
<tr>
<td>Planning</td>
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<td>Community needs assessment</td>
<td>Participatory needs assessments, gender analysis and risk analysis</td>
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<tr>
<td>Sub sector strategies</td>
<td>Equity based resilience targeting</td>
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<tr>
<td>Prioritisation and costing</td>
<td>Costing and prioritising resilience action</td>
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<tr>
<td>Budgeting</td>
<td>Prioritise block grants allocation for resilience action</td>
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<tr>
<td>Resource mobilisation</td>
<td>Scale up resource mobilisation to fund resilience actions in local dev. plan</td>
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<tr>
<td>Financial delivery</td>
<td>Streamline internal processes to efficiently deliver additional climate finance</td>
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<td>Regular reporting and financial statements</td>
<td>Climate expenditure tracking,</td>
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<tr>
<td>M&amp;E Frameworks</td>
<td>CC, poverty, gender targets &amp; indicators</td>
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<tr>
<td>Participatory monitoring &amp; social audits</td>
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Source: Adapted from UNDP Bangladesh. 2014. Policy Brief – Planning and Financing of Community Resilience in Bangladesh

1. **Planning.** Local development planning occurs on a periodic and annual basis. The Framework focuses on the periodic planning cycle which takes place every 3 or 5 years. It is assumed that this will give a strong basis for annual planning and allow LGs to factor in the medium to long-term focus required for long-term resilience-building actions. It will also make it more feasible for LGs together with other local actors to undertake a comprehensive planning process which is detailed below and it will provide flexibility to align budgets and climate finance programming by LGs and other local level actors to the local development plan. Within the planning process, five key activities are identified which can integrate the resilience building components in an effective manner. This includes;

   a) **Community needs assessments and risks assessments.** Good governance practices encourage consultations and needs assessments at the local level for preparing the local development plan. Risk assessments will gather climate data and will profile vulnerabilities of individual, households and groups including low income, poor, landless,
women and the underlying reasons for their vulnerability. Participation of vulnerable groups is key to understanding how they are exposed to, and sensitive to climate risks. NGOs can facilitate these exercises at the local level given their comparative advantage in conducting micro-level exercises which take time and are resource intensive for which LGs may not have sufficient staff/time available.

Examples of community needs assessments and risk assessment tools for reference and further reading:
- Community Risk Assessment (CRA) – click here
- Vulnerability Reduction Assessment (VRA) - click here
- Community Vulnerability and Capacity Assessments (CVCA) - click here
- The Climate Change and Environmental Degradation Risk and Adaptation Assessment (CEDRA) - click here

b) Sub-sector strategies through line departments. LGs should hold an integrated plan for the area. This must be fully integrate sector priorities and provide a platform for better coordination. The Framework proposes to use information generated through the vulnerability assessments and participatory exercises in point a) to support the design of sub-sector actions at the local level. The resilience and pro-poor targeting can be applied in the design of the sub-sector strategies. An important to note however, is that line departments and sub-sector strategies are often controlled by their central representative ministries. As such, the potential for locally responsive programming is often limited.

Examples of targeting for reference and further reading:
- Strategies for Targeting the Poor and Socially Excluded - click here
- Sectoral approaches of adaptation - click here

c) Costing and prioritisation of interventions. Assessing the fiscal needs and estimating fiscal projections is an important exercise to fully understand the appropriate financial inputs required to implement the local development plan. Once an overview of the costed interventions is in place, a prioritisation exercise can be undertaken. Both these steps will help to put in place appropriate measures for financing the plan based on available finance sources (refer to Table 2 for sources of finance). The Framework proposes prioritisation of resilience-building actions and integrated actions. An additional step to this would be to develop LG project proposals fleshing out the priority themes from the development plan which can greatly ease resource mobilisation in the next stage.
2. **Budgeting:** Once the planning process is completed, the LGs will have to budget or allocate available resources (see Table 3) and where possible raise finance to bridge any funding gaps. The key focus of the Framework is to strengthen alignment of the budgeting process to the local development plan implementation.

   a. **Budgeting and block grants allocation.** The budgeting process is annual and LGs often have limited flexibility to allocate resources as most inter-governmental transfers are tied to a specific activity (refer to table 2). In some cases inter-governmental transfers include general purpose or block grants which LGs can budget. Apart from these block grants, LGs have varying degrees of fiscal autonomy legally for resource allocation decisions (refer to box 2). While LGs can raise domestic finances through taxes, fees or loans, this is often not substantial although LGs will have relatively more authority over allocating such resources. The Framework proposes that any decisions on budget allocation be based on the local development plan and that resilience building interventions prioritised in the plan be linked to block grant allocation. Through mainstreaming of climate action across sectors, this can also be achieved for the specific grants over the longer term⁹. The Framework proposes that budgets should also be transparent, and information about the way in which they are addressing resilience should be made available to the public. This is a challenge given that climate change is not a specific function, but rather cuts across functional areas. Alternatively, budget documentation can be used to highlight certain priority areas of climate expenditure and key new spending initiatives that are relevant to resilience building. This could be addressed through the development of climate codes in the local budget for examples.

<table>
<thead>
<tr>
<th>Purpose of finance</th>
<th>Development finance</th>
<th>Financial sources and instruments at the local level</th>
<th>Delivery agencies at the local level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate finance (multi-lateral, bi-lateral, global climate funds, national funds)</td>
<td>(international and national)</td>
<td>Inter-governmental transfers</td>
<td>LGs</td>
</tr>
<tr>
<td>Specific grants, General purpose Grants</td>
<td>Donors and NGOs</td>
<td>Donors</td>
<td>Line agencies</td>
</tr>
<tr>
<td>Cash or in kind contributions</td>
<td>Grants, PBGs, TA, co-finance</td>
<td>Bids</td>
<td>CSOs/Dev. agencies</td>
</tr>
<tr>
<td>Taxes, levies, loans</td>
<td>Private sector</td>
<td>Private sector</td>
<td>Source: Adapted from UNDP Bangladesh. 2014. Policy Brief – Planning and Financing of Community Resilience in Bangladesh</td>
</tr>
</tbody>
</table>

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⁹ UNDP UNCDF UNEP. 2013. Financing Local Responses to Climate Change - Implications of Decentralisation on Responses to Climate Change
Annex 2 provides an example of climate coding at national level that could be applied to local level. LGs can collaborate with NGOs to do the analysis and to communicate budgeting decisions to the community. Specific-purpose grants can also be in the form of input-based and output-based transfers. Input-based transfers specify the areas where expenditure must take place, but not what needs to be achieved with those resources. Output based transfers are conditional upon the achievement of certain outputs. For example, finance in the form of grants or Performance Based Grants (PBGs) and Technical Assistance (TA) is delivered to LG through mechanisms such as UNCDF’s LoCAL (see Box 4). More can be done to introduce climate financing mechanisms that support core LG functions such as LoCAL. Annex 3 provides some insights on local climate financing mechanisms and blending domestic and international finance at the sub-national level for integrated programming from Cambodia. Co-financing can also come from local NGOs for projects and programs they implement. Table 3 outlines some of the different source of finance at the local level.

b. Resource mobilisation. Given that most of the inter-governmental transfers are conditional transfers and fall short of local financing needs, LGs together with other local level actors have to invest in resource mobilisation to implement the plan and the prioritised interventions. Systematic resource mobilisation efforts from national, local, as well as global sources can help to improve predictability of external funding. Local actors can also approach international and national climate funds. LGs can also collaborate with NGOs and line agencies to do joint resource mobilisation or obtain matching funding to finance interventions in the local plan. Local NGOs implement projects by raising beneficiary contributions which can be scaled up jointly with LGs. Innovative financing options such as insurance can also be leveraged with the private sector by putting in place policies and incentives such as up-front financial assistance or subsidies for private stakeholders.

**Box 3: UNCDF’s LoCAL**

LoCAL (Local Climate Adaptive Living Facility) is the UNCDF facility for investment in local level climate resilience. The facility channels global adaptation finance to local governments - who are at the frontline of dealing with the effect of climate change - and enables them to invest in building local resilience. The method for doing so is innovative: The LoCAL Facility connects to existing national intergovernmental fiscal transfer systems and supplements capital grants to local governments with performance-based climate adaptation funding. LoCAL thus provides a fast and effective means to channel adaptation finance to where it is most needed, while at the same time ensuring ownership, accountability and results. The methodology is derived from UNCDF’s specific experience in setting up such systems for effective capital investments and capacity building of the sub-national governments. More information on LOCAL can be found at: [http://www.uncdf.org/en/local](http://www.uncdf.org/en/local)
c. Financial delivery, contracting and accounting. LGs need to streamline and strengthen their internal PFM systems and financial delivery processes including procurement, financial accounting, and expenditure tracking to achieve effectiveness in climate finance delivery at the local level. It is important to encourage the adoption of appropriate budgetary codes to assist in the analysis of whether climate financing is reaching the poor and vulnerable, and to assess the sources that they derive from.

3. M&E framework. In order to effectively monitor progress and results, it is important for LGs together with other local level actors to develop an M&E framework with measurable indicators and targets attached to the local development plan. These frameworks can serve as a basis to judge the effectiveness and efficiency of climate and development related expenditures. They can also be used to assess the targeting of actions (discussed above) and the impact of resilience actions on vulnerable groups. Indicators on climate related actions will have to be incorporated to the M&E framework although developing such indicators can be complex at the local level given the broad scope and time frame of climate change related actions. A combination of outcome and process indicators would be useful for both tracking outcomes in the long run and also defining performance in the short-term upon which performance based grants can be based. An important aspect of monitoring would also be to track efforts on building capacities discussed in Component 1. Setting out clearly proposed reform plans and then tracking progress against the plans is a useful way to monitor and evaluate the impact of initiatives aimed at building capacity at the local level.

Examples of M&E frameworks and indicators for reference and further reading:
- UNDP indicators – [Click here](#)
- Oxfam GB, Multidimensional Approach for Measuring Resilience – [Click here](#)
- CARE/IIED - Participatory Monitoring, Evaluation, Reflection and Learning for Community-Based Adaptation – [Click here](#)
- TANGO Resilience measurement framework – [Click here](#)
- Tracking Adaptation and Measuring Development (TAMD) framework – [Click here](#)

a. Tracking finances and reporting. With regard to reporting, LGs will have regular reporting responsibilities to provincial or national governments and publishing financial statements. LGs and other local level actors will also have to report to donors for any external funding received. A comprehensive, climate sensitive and risk-informed Local development plan could allow for less fragmented reporting for LGs. Rigorous monitoring, documentation of what works and knowledge sharing will have to complement regular reporting tasks in order to demonstrate climate finance impacts. Most importantly, LGs are encouraged to build downward accountability as mentioned earlier and communicate progress and results on a regular basis to the people. Social audits can be conducted to get community feedback and assessment of activities implemented. Local NGOs can lead participatory monitoring and budget accountability by

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10 UNDP UNCDF UNEP. 2013. Financing Local Responses to Climate Change - Implications of Decentralisation on Responses to Climate Change
communicating results to the public and collecting community feedback on the impact of projects and services. Multi-sector coordination during monitoring can also help to share knowledge and learn from experiences on the ground. An effective local government coordination mechanism which has representation of broad range of stakeholders including the vulnerable groups could also help to bring lessons and knowledge from the local level to the national level.

Examples of financial reporting tools and social audits for reference and further reading:
- Climate Public Expenditure and Institutional Review (CPEIR) – click here
- Improving learning for climate fund effectiveness adapted from: LEAD – click here
- Community score cards – click here
- Citizen report cards – click here
- Participatory monitoring, evaluation, and institutional mapping – click here

All of the above processes must be underpinned by strong multi-stakeholder coordination. Local level actors as defined in Box 1 include LGs, line departments, CSOs, development agencies and or donors and private sector players. They contribute to LG led interventions directly and indirectly. They are also delivery agencies themselves channelling national and international development and climate finance to the local level. The participation and systematic coordination among stakeholders is critical for the following reasons (see figure 3).

- Resilience-building cuts across many sectors and hence coordination between sectors is critical to avoid duplication and achieve common outcomes.
- Integrated climate change and resilience planning requires inputs from multiple sectors. This information is often scattered, and needs to be consolidated under one plan. Proposed programmes requires expertise and information on poverty, gender, climate vulnerability which CSOs may have a comparative advantage on.
- Additionally, some of the interventions can be achieved collectively by LGs to benefit from building a critical mass. For example, natural resource reserves or land use can fall under multiple LGs or ecological zones and hence a clustered approach to regulation and enforcement will be required.

Similarly, coordination needs to be established with the higher levels of governance including the central government to build coherency with national strategies and policies. These coordination mechanisms
need to be strengthened beginning from the planning stage to ensure coordinated implementation and to ensure full alignment of any actions, projects and interventions. LG, which has the mandate to coordinate the development agenda should be at the centre of this process. This may require setting up of sub-committees or using existing coordination councils to ensure that the integration is coherent, and that budgeting, implementation and monitoring plans are appropriately communicated.

4.3 Component 3: Local Plans

Stronger plans, budgets and monitoring frameworks are the immediate output of the Framework. The capacities and processes that have been described in Components 1 & 2 should result in the production of a climate sensitive, risk-informed local development periodic plan.

The underlying assumption of the Framework is that if the climate-gender-poverty dimensions are factored into and addressed within the existing capacities and processes, the local governance system can more effectively achieve five immediate outputs:

1. **Medium term climate sensitive and risk-informed local development periodic plan** with broad ownership around which the local development process and climate response can be managed
2. **Realistic Budgets** that are transparent and aligned to the local development plan
3. **Integrated Projects and Programmes** by all local level actors that are aligned to the risk-based development plan
4. **A monitoring and Evaluation Framework** that allows improved accountability, results, and generates evidence base for better resilience building
5. **Policy and systems reforms** that responsive to the overall process, strengthening LG function and service delivery for sustaining resilience over the long term

The Framework also promotes good governance principles by proposing to strengthen co-ordination, participation, transparency and accountability in existing processes.

The integrated approach for climate change action is core to the Framework. It is to ensure that climate change finance reaches the poor, that associated mitigation and adaptation actions results in the enhanced well-being of the poor and vulnerable and that it all complements the broader development process. The detailed explanation and activities reflecting the climate-gender-poverty additionalities are discussed in Section 2 below.

4.4 - Component 4: Local actions

Once the improved plans are in place, all local action, project implementation and service delivery by local level actors should then align to the risk informed, climate resilient local development periodic plan. Moreover the process of bringing together multi-sectoral perspectives calls for more integrated programming. As stated above, stakeholders at the local level both within LG and outside it have weak capacities for project design, implementation, and management. The added complexity of taking into account, climate, poverty, and gender considerations exacerbates the situation.
Section 2 of this report seeks to address this by providing tools and principles for integrating programming. This section does not attempt to reinvent the project design process but collates best practice from a range of practitioners. It is designed to inform LGs of the tools and processes that are already out there and equip them with the necessary resources to both improve their own project management skills as well as to effectively determine the effectiveness of others stakeholders’ projects and programmes (including communities’ autonomous actions) and their contribution to the overall periodic plan.

Integrated programming will build resilience through enhancing three types of capacities; absorptive, adaptive and transformative capacities.\(^{11}\)

- Absorptive capacity is the ability to minimize exposure to shocks and stresses where possible and to recover quickly when exposed.\(^{12}\) Access to early warning information and immediate relief for a flood or drought can help enhance absorptive capacity. Social capital is also an important element of coping with shocks for poor households.
- Adaptive capacity; involves making proactive and informed choices about alternative livelihood strategies based on changing conditions. Interventions to improve adaptive capacity include helping households depending on natural resources to diversify their livelihood options and to engage in alternative income generation.
- Transformative capacity; relates to governance mechanisms and formal safety nets. These are system-level changes that enable more lasting resilience. Access to flood insurance or climate proof technology for agriculture can result in positive well-being outcomes for the poor.

Annex 4 outlines some case studies on integrated programming in Bangladesh

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\(^{12}\) The descriptions in the paragraph of absorptive, adaptive, and transformative capacity are from Frankenberger et al. (2012b).
5. Resilient Outcomes and Benefits to the Poor in the Long Term

A key objective of the Framework is to ensure that climate finance reaches the poor and that integrated programing based on one improved local development plan can be aggregated to result in improvements in the overall well-being of the poor and vulnerable. This is the ultimate goal of The Framework. Achieving long term resilience outcomes should be underpinned by the following core principles:

1. **Strong participatory action** – Allowing all local stakeholders to contribute, and particularly the poor to voice their needs and constraints throughout the local governance processes – from planning to evaluation.

2. **Complementarity** between climate action (and its associated finance) and the overall development plan (and it associated finance).

3. **Effective prioritisation** of integrated programmes that deliver a development and climate win-win

4. **Continuous learning** and application of knowledge and evidence generated through feedback loops across local governance processes. The importance of the M&E framework is that it can articulate the development outcomes, such as increased income or livelihood security, food security, social protection, sustainable access to resources, in a manner that is locally relevant.

The Framework takes into account the multi-dimensional aspect of the resilience outcomes from the beginning. The process comes full-circle with participatory monitoring and accountability exercises such as social audits. In the longer-term, the principles and approaches applied in the Framework such as participatory methods and cross-sector coordination models are intended to change the way in which local actors operate at an institutional level. Solid monitoring practices can also result in accumulation of evidence and knowledge around what works and lessons for future resilience programming. Similarly successful resilience building models at the local level and implementation models such as joint strategies between LGs and NGOs or between sectors can inform national policy and planning to support replication of good practice at scale. Therefore, the Framework fosters current action in the context of the long-term.
6. Implications for Local Climate Financing

The Framework acknowledges that minimum elements of the local governance system already exist across the board, that the local governance system already provides a range of services and that local stakeholders are uniquely positioned to deliver their mandates. It also acknowledges that there is autonomous adaptation and resilience action that is already taking place at the local level and aims to build synergies with these efforts.

In light of the climate finance realities, where growing emphasis is on reaching the poorest, this Framework seeks to leverage the central role of LG as the traditional vehicle for delivery of finance and services to target populations. By addressing the systemic issues in LG, the framework is consistent with views that strengthening nations/domestic systems within a whole of government approach is the most sustainable way to mainstream a robust climate response. Using this framework will strengthen local systems and allow LG to directly access global climate finance and play a more significant role in the national climate response. The following recommendations are proposed for climate finance readiness support to countries:

- **Provide upfront funds for local capacity building.** Up front investments in capacity building to strengthen functional capacities is key to enhancing delivery of climate finance. Climate awareness and sensitisation can be provided to LG staff. All stakeholders, including the private sector, may also require knowledge and skills on construction standards, energy efficient products, climate smart technology, access to communication networks for disaster and early warning etc. A key capacity to build is political capacity. Political leadership should be encouraged to take up climate resilient development seriously particularly if they are in a position to see how climate funds could help to achieve their regular mandate

- **Provide support to local coordination mechanisms** - Support to existing coordination mechanisms (such as existing local development committees, Climate Change working groups, project steering committees etc.) can facilitate multi-stakeholder interaction from an early stage. Climate finance should ensure alignment of local climate actions with broader development planning. Representation of the poor can also be facilitated through strong co-ordination mechanisms.

- **Provide technical assistance to support core processes and design of local actions.** Technical support can be extended to strengthen local processes and integrated programming. The availability of a local development periodic plans is key to building overall coherency and scale across projects and programmes. Furthermore, support for integrated programming will facilitate the development of projects that are ready for funding.

- **Support Harmonised reporting.** The design of the reporting, M&E and accountability systems for climate finance should be simple and streamlined to local processes as much as possible. LGs are often burdened with submitting many elaborated reports to the central governments and other development partners. Maintaining one reporting format and synchronising reporting timeframes can be a way to reduce the burden for LGs and other stakeholders. This can also be facilitated by having a robust local development plan that has broad ownership.
Delivering climate finance to the local level will continue to be complicated. However, Local government remains a crucial partner in delivering climate finance to the poor because they operate at the forefront of development and climate action, directly facing the immediate impacts of climate change.
SECTION 2

Guidance Note -
Tools and Principles for Integrated Programming

A supporting document to the Framework for Integrated Climate Response at the Local Level
1. Introduction

This document aims to summarise the types of tools and approaches that can be used to implement activities and processes outlined in the local governance and resilience building Framework. These tools and approaches broadly fit the core local governance processes; planning and budgeting. The paper introduces the tools and the stage at which it can be used within the planning and budgeting activities. It will guide UNDP, governments and other development practitioners to adopt the appropriate tools and methods for programming around climate-poverty-social exclusion nexus. The document does not intend to be comprehensive but rather aims to introduce relevant tools and approaches which can be referred to and applied selectively.

This Document builds on the contents of the document have been extracted from the Guidance Note on Integrated Climate Change and Poverty Programming developed by an external consultant of UNDP in March 2015. The contents have been organised to align with the Framework for Integrated Climate Response at the Local Level. for ease of reference. Although many of the issues are broadly applicable to climate-poverty issues in the developing world, the geographic focus (with regard to examples) is the Asia-Pacific region.

2. Local Development Process - Planning

The local governance and resilience building Framework centres on two core processes; planning and budgeting. The local development planning process is based on inclusive, participatory and gender sensitive principles. The Framework recommends five main activities within the planning phase to produce a medium term, risk based, local development plan. This section will discuss selected tools and approaches which can be used to implement four of the five planning activities recommended in the Framework.

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<thead>
<tr>
<th>Activity</th>
<th>Selected tools for carrying out activity</th>
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</thead>
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<td>2.1 Community needs assessments</td>
<td>✓ Community Risk Assessment (CRA)</td>
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<td>and risks assessments.</td>
<td>✓ Vulnerability Reduction Assessment (VRA)</td>
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<td></td>
<td>✓ Community Vulnerability and Capacity Assessments (CVCA)</td>
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<td></td>
<td>✓ The Climate Change and Environmental Degradation Risk and Adaptation Assessment (CEDRA)</td>
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<tr>
<td>2.2 Sub-sector strategies</td>
<td>✓ Strategies for Targeting the Poor and Socially Excluded</td>
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<tr>
<td></td>
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<td>2.3 Costing &amp; prioritisation</td>
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<td>✓ Oxfam GB, Multidimensional Approach for Measuring Resilience</td>
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<td>✓ Tracking Adaptation and Measuring Development (TAMD) Framework</td>
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</tbody>
</table>
2.1 Selected community needs and risk assessment tools

Risk assessments will gather climate and poverty data, profile vulnerabilities of individual, households and understand the underlying reasons for their vulnerability. Participation of poor and vulnerable groups is key to understanding how they are exposed to, and sensitive to climate and other risks. The following outlines participatory tools that can be used to conduct community needs and risk assessments to formulate the local development plan.

b. Community Risk Assessment (CRA)

CRA is a participatory process for assessing hazards, vulnerabilities, risks, ability to cope, preparing coping strategies and finally preparing a risk reduction options implementation plan by the local community. CRA uses scientific information and predictions and participatory discourses to identify, analyse and evaluate risk environment of a particular community, reach consensus amongst the community on actions that are needed to manage the risk environment. The method recognizes that the vulnerability, loss, reduction or mitigation strategy and coping mechanism vary from community to community and group to group (women, person with disability, landless, farmers-fisher folks, etc) of a same community. It ensures representation of professional, community and other groups and that their points of views are reflected. CRA encourages community participants to respect others’ concerns. The end product is a consensual community risk assessment and set of risk reduction actions Key Steps in the CRA include;

- **Scoping the Community** - Familiarise facilitators with the local risk environment and people’s livelihoods through transact walk, wealth ranking/census, resource mapping, focus group discussions, key informants interview etc). Identify stakeholders who will participate in the CRA. Collection, analysis and validation of secondary information with the community

- **Identification of Hazards, Vulnerable Sectors, Elements & Locations** - Participants divided into separate stakeholder groups to identify the hazards they face in their communities and associated vulnerable sectors/elements/location.

- **Risk Analysis and Evaluation** - Analysing and evaluating the risk statements to ensure accurate picture of each hazard and their respective risks. This will allow us to prioritise or rank them according to the impact they may have on the various elements which make up a community.

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**Use existing climate data and evidence**

Existing data on climate change risks, trends and scenarios can be used for applying the tools. Secondary resources include;

**Global assessments**

- UNDP Climate Change Country Profile
- World Bank Climate Risk and Adaptation Country Profile
- Maplecroft Corp. Global Climate Change and Vulnerability Atlas
- National Communications Support Program
- IPCC 5th Assessment Report 2014 – Impacts, Adaptation and Vulnerability

**National Assessments**

- Climate change – Ministry of Environment, Planning, Disaster Response etc.; Research institutions, Universities, Donor agencies

**Local Assessments**

- District Departments, Local Government, NGOs
Specific Risk Reduction Options & Action Planning - Determining the most effective and appropriate risk reduction options for the elimination, reduction and/or management of risk.

Consensus on Options - Primary and secondary stakeholders jointly review the compiled output of coping strategies recommended by separate primary stakeholder groups and agree on potential options.

CRA can ensure effective participation of vulnerable communities to achieve their risk reduction goals. CRA can be used at all levels to involve stakeholders from professional groups, agencies and departments and specialists from various disciplines, to prepare long-term risk reduction actions.

Source: A facilitator’s Guidebook, Community Risk Assessment and Risk Reduction Action Plan, Government of Bangladesh

Source: A Facilitators Guidebook - Community Risk Assessment and Risk Reduction Action Plan

c. Vulnerability Reduction Assessment (VRA)

The VRA is a tool to help development practitioners understand the implications of climate change on the lives and livelihoods of local communities. It provides a set of guiding questions for analysis of information at a community level. The VRA will identify the specific climatic events which erode communities’ abilities to realise their livelihoods, the specific livelihood resources which are most impacted by climate change and their capacity to cope and adapt to its impacts. The methodology begins with a trend analysis to understand community perceptions of climate change in the past. A series of questions are then used to gather information on different aspects of climate change including an analysis of current and future climate change risks, barriers to adaptation and factors/resources facilitating the coping strategies used by the community. Participants are grouped thematically according to commonalities and/or differentiated vulnerabilities, e.g. men, women, the elderly and development services providers. It is important that the question of who is vulnerable is raised with local leaders and the community groups, rather than making assumptions (e.g. to work with the elderly or only women) prior to undertaking a VRA, and that groups are arranged accordingly. The landless, indigenous groups or those living with HIV/AIDS are other vulnerable groups which should be considered. Grouping is done to gather specific information on vulnerable groups to facilitate the development of targeted climate change vulnerability reduction responses.

The VRA can be used to gather information to design interventions for the local development plan and local climate related projects. It can also be used at the inception phase to build baseline indicators as a way of checking the efficacy, targeting of activities and intended outcomes. It can act as a perception based monitoring and evaluation tool to determine the success of activities and progress towards outcomes. Pre-existing participatory techniques can also be used (and adapted) to develop a profile of poverty and vulnerability at the community level.

Source: A Guide to the Vulnerability Reduction Assessment

d. Community Vulnerability and Capacity Assessments (CVCA)

CVCA developed by CARE provides a Framework for gathering, organising and analysing information on the vulnerability and adaptive capacity of communities, households and individuals. It takes into account
the role of local and national institutions and policies in facilitating adaptation. There are a set of helpful
guiding questions for analysis of information at national, local and household/individual levels. It offers
guidance and tools for participatory research, analysis and learning. Local knowledge on climate risks and
adaptation strategies in the data gathering and analysis process is prioritised. It is designed to feed into
and strengthen planning processes by providing vital, context-specific information about the impacts of
climate change and local vulnerability.

Source: CARE CVCA Handbook

e. The Climate Change and Environmental Degradation Risk and Adaptation
Assessment (CEDRA)

Tearfund has developed CEDRA in order to assist practitioners to understand communities' experiences
of environmental change and comprehend climate and environmental science as well as assess the likely
climate and environmental impacts on communities and projects. A Field Tool Checklist provides a list of
possible impacts of climate change, and suggests possible adaptation options.

Source: Tearfund - Climate change and Environmental Degradation Risk and Adaptation Assessment
Participatory techniques can be used (and adapted) to develop a profile of poverty and vulnerability at the community level. Participatory tools are presented here are categorized into three broad groups.

- **Tools for describing poverty characteristics, incidence, and distribution**
  
  a) **Community profile** - an overview of a community containing information on a broad range of factors (such as environmental/natural features and management, socio-demographic characteristics, political and economic structures, local institutions, economic activities and livelihoods, basic household and community facilities, and social organization).
  
  b) **Social mapping** - A visual method of showing the relative location of households and the distribution of people of different types (such as male, female, adult, child, landed, landless, literate, illiterate, and so on) together with the social structure and institutions of an area.
  
  c) **Community resource mapping** - A method of showing information regarding the occurrence, distribution, access to and use of resources; topography; human settlements; and activities of a community from the perspective of community members; this method enables people to picture resources and features and to show graphically the significance attached to them.
  
  d) **Wealth ranking** - This method involves the ranking of different individuals, households, or communities according to locally developed criteria of well-being. Performing such exercises for communities as well as households or individuals illustrates the significance of factors and assets that affect poverty at the community, group, or household level.
  
  e) **Timeline life histories** - Good for identifying trends and changes to poverty over time; very important to triangulate information with secondary review, interviews, and survey data.

- **Tools for understanding poverty dynamics, assets, vulnerability, and livelihood strategies**
  
  a) **Risk mapping** - Good for understanding the vulnerability context, delineating perceptions of risk at different levels, and examining the multiple risk and vulnerabilities (the most vulnerable will experience multiple risks) and concomitant vulnerabilities as a result of a
policy change; risk mapping helps to identify the covariance of risk and the coincidence of (multiple) vulnerabilities that impact most severely on the poorest.

b) **Risk indexing** - A systematic approach to identify, classify, and order sources of risk and to examine differences in risk perception.

c) **Seasonal calendar** - A visual method of showing the distribution of seasonally varying phenomena (such as economic activities, resources, production activities, problems, illness/disease, migration, natural events/phenomena, climate, and so on) over time. Nuances analysis of impact of policy change by revealing the seasonal variations in vulnerability and access to assets and resources. Useful for understanding the relationship between seasonally varying phenomena and livelihood strategies.

d) **24-hour calendar** - A visual method of showing the way people allocate their time between different activities over a 24-hour period. Enables understanding of the impact of policy changes/implementation on daily schedules, workloads, and time use. Reveals differences in schedules and workloads between people from different social groups and at different times of year and can be used to look at the social impacts (for example, on health and education) of different workloads.

e) **Asset wheel** - A visual method of showing the different assets/resources and the linkages between them. It is useful for understanding differences in the asset bases of different social groups; establishing an asset baseline, which can be used to explore livelihood strategies/diversification and opportunities for and constraints to increasing asset holdings; and examining potential impacts of a policy change on the asset bases of different social groups.

f) **Livelihood matrix scoping** - A method of investigating preferred and prioritized livelihood options of population subgroups against specified criteria (rather than a description of current livelihood strategies). Contributes to an understanding of possible impacts of policy reform on livelihood options and preferences.

g) **Entitlements matrix** - A method of representing socially differentiated perceptions of and actual rights and entitlements, and understanding differences in the way they are applied to different groups of people (such as women and men, poorer households, different ethnic groups, and so on). Useful for identifying possible linkages between capacity and resources to claim rights and people’s capacity to deal with risk and vulnerability, as well as potential impacts of policy reform on rights and entitlements.

h) **Causal flow diagram** - A method of showing diagrammatically the causes, effects, and relationships between variables associated with policy change and poverty and social change. Traces differences in cause–effect relationships by different social groups. Reveals relationships between economic, political, social, and environmental factors.

- **Tools for identifying the institutional constraints and opportunities for poverty reduction**
  a) **Institutional mapping/Venn Diagram Mapping** - A visual method of identifying and representing perceptions of key institutions (formal and informal) and individuals inside and outside a community as well as their relationships and importance. Enables understanding how different community members perceive institutions both within the community (in terms
of decision making, accessibility, and services) and outside the community (in terms of participation, accessibility, and services).

b) **Institutional perception mapping** - A visual method of identifying and representing perceptions of key institutions (formal and informal) and individuals inside and outside a community as well as their relationships and importance to different social groups. Good for understanding the sets of social relations that mediate the transmission of a policy change.

c) **Mobility mapping** - A visual representation of people’s movements within and outside their community. Identifies issues and problems related to socially differentiated mobility and access to resources (such as land, water, health and education services, information, capital, decision making, and so on) and consequences of socially differentiated mobility for different social groups, their households, and livelihoods. Socially differentiated mobility within and outside a community can indicate differing levels of freedom, wealth, empowerment, and rights.

2.2 Developing sub-sector strategies

The local development plan is generally composed of sub-sector strategies, including water, land, agriculture, environment, housing etc. The design of sub-sector strategies will be based on the community needs and risks assessments that are outlined above in 3.1. The following outlines approaches which can be used in sub-sector formulation. As per the Framework, the sub-sector strategies will integrate the climate—gender-poverty focus. The first approach outlines methods for introducing or improving of targeting interventions for the poor. The second approach highlights observed best practices that support mainstreaming climate resilience in the sub-sector formulation and consolidation as a local development plan.

a) Strategies for Targeting the Poor and Socially Excluded

In order to reach the most vulnerable, targeting strategies that identify and meet the needs of different vulnerable groups with context-specific activities are required. A combination of the following strategies can be used to target interventions in the sub-sector strategies and the overall development plan:

- **Geographic targeting of at-risk areas** - Geographic targeting is an option in areas where the majority of households in the area are affected and a quick response is required for example after a natural disaster. Used on a stand-alone basis, it is subject to high rates of exclusion and inclusion errors, for example better off households who are within the geographical areas may be affected whilst those who have also been affected (by a natural disaster) and are outside the zone will be neglected. Geographical targeting for example of areas sensitive to climate change should be combined with other targeting such as categorical or poverty targeting so that particularly vulnerable are reached.

- **Categorical targeting** of those who have found to be vulnerable through analysis (such as targeting female-headed households, children, elderly people, people with disabilities, and so forth) - The development of complementary categorical targeting criteria will be necessary, based on knowledge of the social excluded and vulnerability to climate change risks across and within households, by the use of tools such as CVCA which was discussed above. It is critical that assessments collect and analyse the age, gender, and diversity of the targeted or affected population, as well as underlying structural issues that contribute to inequality, poverty, and vulnerability. Given that vulnerability and resilience change over time, analyses needs to be updated regularly.

- **Poverty-based targeting** - Poverty based targeting involves using measures of changes in welfare as a result of climate change

**Use existing policy and planning documents to build coherency**

Existing policy and planning documents should be used for developing the sub-sector strategies and the compilation of the local development plan.

**National policies and plans:** Poverty Reduction Strategy Paper, National Development Plan, National Adaptation Plan, National Adaptation Programmes of Action, Climate Fiscal Framework and National Climate Policy.

**Sector strategies** such as strategy of Ministry of Environment or Respective Ministry, Climate Plan, Sector Strategies, Plans and Policies and Public Expenditure Reviews.

**Subnational policies** such as Decentralisation Policies and district Policies

change. This can be from secondary data that are regularly developed, and or participatory wellbeing ranking as discussed above in point e). They should ideally complement easily identifiable welfare measures, such as housing location, housing quality and assets.

b) Best practice examples of adaptation actions

At the design stage of sub-sector strategies and the overall local development plan, it is important to identify the range of potential resilience building actions and opportunities for strengthening people’s adaptive capacity across the different vulnerable groups. This will involve working closely with local decision-makers and stakeholders. It is helpful to draw on experiences of other organisations at this stage and review similar programmes to analyse the adaptation measures identified, to assess whether they were successful and any lessons that were learnt. Some examples of adaptation measures that have been found to be best practice in different sectoral projects are:

- **Agriculture** - Drought resistant crop varieties, capacity building around dry season cropping techniques, ensure appropriate crop seeds before rains, create village seed bank with seeds of traditional and improved drought-resistant crops, establish farmer field schools, mobile libraries and reduce run-off / increase rain water infiltration by panting barriers such as agave.

- **Land use** - Mixed farming (crop and livestock) as a drought coping strategy and for income generation, alternative livelihood systems to reduce the pressure on the land and diversified land use system including dry land farming, agroforestry and vegetable production to reduce risk and increase the capacity of farmers to cope with droughts

- **Water resource use** - Creation of reservoirs on rivers that currently have run-of-the-river intakes, afforestation to enhance dry seasons flows, water conservation education for the public and recycling of water for domestic and industrial use.

- **Health** - Mapping of disease incidence and identification of vulnerable groups for climate-sensitive disease, creation of community health groups and development of capacity to identify health risks and facilitate access to decision-makers and services, communication of disease risks, improvement of nutrition through increased food banks, food processing capacity, nutrition education and awareness raising on nutrition, home gardening and public health promotion.

- **Emergency response** - Increase disaster preparedness and risk reduction capacity, explore drought and flood resistant crops, promote safer housing / infrastructure and zoning away from high risk coastal areas.

2.3 Prioritization methods for local development plans

Once the sub-sector strategies are consolidated into a local plan and the interventions are costed, the next step is to prioritise the interventions that are most feasible and those that will deliver the most benefits to the poor and vulnerable. The Framework proposes prioritisation of resilience-building actions and integrated actions. The following section outlines a criteria that can be used for priorisation.

a) Prioritising exercise

The first step of the exercise is to develop a criteria for priorisation. The full criteria should be developed and or completed in consultation with stakeholders and key decision-makers. An initial list of criteria could be;

- **Cost** - Cost to implement adaptation measures; cost of not modifying the project.
- **Effectiveness** - Effectiveness of adaptation measures in reducing vulnerability to climate variability and climate change.
- **Acceptability to local stakeholders** - This may vary for economic, social, political and cultural reasons.
- **Ease of implementation** - Any barriers to implementation and how they can be overcome.
- **Endorsement by experts** - How the measures fit with international best practice.
- **Number of beneficiaries** - Those that provide benefits to large numbers of people will often be prioritised over those that deliver larger benefits to fewer people.
- **Capability** - How much supplementary capacity building and knowledge transfer would be required.

When the criteria is finalised, a matrix can be drawn up so that the different actions are scored against the criteria. At the end, there should be a clearly ranked list of resilience actions. It is important to ensure that there is local ownership so the decision should be made in consultation with project beneficiaries and other stakeholders. This will involve holding focus group discussions and village level gatherings to identify the priorities for resilience building actions for women, men, different wellbeing groups, ethnicity and other differentials. It will also ascertain their perceptions about what is feasible, effective, the capacity and options for working with local partners and organisations.

*Source: Mainstreaming Climate Change Adaptation - A Practitioners Handbook, CARE International in Vietnam*
2.4 M&E frameworks and indicators

The Framework to enhance resilience building in local governance proposes a M&E framework with measurable indicators and targets to be attached to the local development plan to monitor progress and results of local resilience building actions. These frameworks can serve as a basis to judge the effectiveness and efficiency of climate related expenditures at the local level and the alignment of local actions to the local development plan. The following outlines types of indicators that can be used to measure resilience and participatory approaches that can be used to develop a solid M&E framework for the local development plan.

**g. UNDP indicators**

UNDP proposed a specific framework for the monitoring and evaluation of climate change adaptation in 2008. The framework focuses on six thematic areas: agriculture and food security; water resources and quality; public health; disaster risk management; coastal zone development; and natural resources management. The types of indicators used by UNDP to assess the success of projects and portfolios are:

- **Coverage** - the extent to which projects reach vulnerable stakeholders (individuals, households, businesses, government agencies, policymakers, etc.)
- **Impact** - the extent to which projects reduce vulnerability and/or enhance adaptive capacity (through bringing about changes in adaptation processes: policy making/planning, capacity building/awareness raising, information management)
- **Sustainability** - the ability of stakeholders to continue the adaptation processes beyond project lifetimes, thereby sustaining development benefits
- **Replicability** - the extent to which projects generate and disseminate results and lessons of value in other, comparable contexts

Source: *Monitoring Framework for Climate Change Adaptation, UNDP*

**h. Oxfam GB, Multidimensional Approach for Measuring Resilience**

Oxfam GB developed a multidimensional approach for the measurement of resilience. It includes five dimensions of resilience that are particularly appropriate to the issue of resilience to climate change and variability. These dimensions are: 1) Livelihood viability; 2) Innovation potential; 3) Contingency resources & support access; 4) Integrity of natural & built environment; 5) Social and institutional capability.

Source: *Multidimensional Approach for Measuring Resilience, Oxfam GB*

**i. Resilience measurement framework - Food Security Information Network (FSIN)**

The resilience measurement framework developed by TANGO International and endorsed by FSIN uses the definition of resilience as “a capacity that ensures stressors and shocks do not have long-lasting adverse development consequences”. The resilience framework aims to measure impact of shocks and stressors on well-being outcomes of households, communities or regions using three main capacities;
• **Absorptive capacity;** ability to minimize exposure to shocks and stresses (ex ante) where possible and to recover quickly when exposed (ex post)\(^{13}\)

• **Adaptive capacity;** involves making proactive and informed choices about alternative strategies based on changing conditions. Interventions to improve adaptive capacity are aimed at improving the flexibility of households and communities to respond to longer-term social, economic, and environmental change.

• **Transformative capacity;** relates to governance mechanisms, policies/regulations, infrastructure, community networks, and formal safety nets that are part of the wider system in which households and communities are embedded. Transformative capacity refers to system-level changes that enable more lasting resilience.


j. Tracking Adaptation and Measuring Development (TAMD) framework

The TAMD framework is described as 'twin track'. It evaluates adaptation success as a combination of how widely and how well countries or institutions manage climate risks (Track 1) and also how successful adaptation interventions are in reducing climate vulnerability and in keeping development on course (Track 2). It evaluates adaptation through: using indicators of the extent and quality of climate risk management; assessing how, and how well, Climate Risk Management (CRM) benefits climate vulnerable people; and uses standard development indicators that reveal whether development is ‘on track’ as well as using indicators that reveal whether populations and the systems on which they depend are becoming more resilient, less vulnerable and gaining in adaptive capacity. Those indicators are identified through household surveys that record variables that can be used as proxies for vulnerability through local contextual studies/surveys, and empirically-grounded. As a tool that can be applied at the national level, there are 8 national level indicators relating to: integration/mainstreaming, coordination, budgeting, knowledge, use of climate information, planning under uncertainty, participation and awareness among stakeholders. Methodological notes are available for each of the indicators. The CRM indicators have a scorecard format. Each indicator consists of five questions that ask whether a particular criterion has been met, to which the answer is ‘no’, ‘partially’ or ‘yes’. Each question is scored as 0, 1 or 2 to correspond to these three possible answers respectively. These indicators are intended as starting points for the M&E of institutional CRM. They might be used as off-the-shelf indicators or modified for use in different institutional contexts according to need. At the local level the indicators are listed below:

- Extent and quality of CRM measures such as risk spreading mechanisms (financial, livelihood, social).
- Number of households with reduced vulnerability / increased resilience for example Change in percentage of households (in areas at risk) whose livelihoods have improved (acquisition of productive assets, food security during sensitive periods of the year).
- Context-specific indicators capturing certain aspects of vulnerability/resilience that will depend on nature of interventions.

\(^{13}\) The descriptions in the paragraph of absorptive, adaptive, and transformative capacity are from Frankenberger et al. (2012b).
- Percentage of people with year round access to reliable water supply (domestic, agricultural, industrial).
- Opportunistic indicators that might be used where similar climate hazards occur before and during/after intervention, allowing losses/damages to be compared and changes in vulnerability inferred

Indicators that show whether populations are becoming less vulnerable and increasing their adaptive capacity are referred to as ‘resilience indicators’ within the framework. A review of methodologies revealed the following potential dimensions of resilience:

- **Assets:** physical, financial assets; food and seed reserves, etc. (contingency).
- **Access to services:** water, electricity, early warning systems transport, knowledge and information – to plan for, cope with and recover from stresses and shocks.
- **Adaptive capacity:** to anticipate, plan for and respond to longer-term changes – for example, by modifying current practice, creating new strategies.
- **Income and food access:** the extent to which people may be poor or food insecure before the occurrence of a stress or shock.
- **Safety nets:** includes access to formal and informal support networks, emergency relief and financial mechanisms such as insurance.
- **Livelihood viability:** the extent to which livelihoods can be sustained in the face of shock/stress, or the magnitude of shock/stress that can be accommodated.
- **Institutional and governance contexts:** the extent to which governance, institutions, policy, conflict and insecurity constrain or enable coping and adaptation.
- **Natural and built infrastructural contexts:** the extent to which coping and adaptation are facilitated or constrained by the quality and functioning of built infrastructure, environmental systems, natural resources and geography.
- **Personal circumstances:** other factors that make individuals more or less able to anticipate, plan for, cope with, recover from and adapt to changes in stresses and shocks – for example, debt, low socio-economic status, etc.

**Indicators - Examples of outcome level indicators include,** average income (MTN) per month, per family, number of households with access to safe drinking water, percentage of improved houses in the district and percentage of households with durable goods. Examples of impact level indicators include, household expenditure patterns, quantities of food surplus sold at the markets, frequency of marriage and other cultural ceremonies held per year, number of conflict incidences, number of families migrating due to climate hazards, number of children born, number of schools, dispensaries, mosques, permanent settlements constructed, number of children enrolled and retained in schools, number of families on food relief, numbers of livestock, number or percentage of households affected by floods and drought, illiteracy rate, child mortality rate, life expectancy in the district (years) and incidence of poverty.

**Source:** Tracking-Adaptation Measuring Development (TAMD) Framework - IIED
4. CARE/IIED - Participatory Monitoring, Evaluation, Reflection and Learning (PMERL) for Community-Based Adaptation

CARE and IIED have developed a participatory monitoring and evaluation (PM&E) framework for local and community-based adaptation. It aims to provide strategies to help stakeholders assess community-based adaptation so that practices can improve over time; guide the development of locally specific, community-based indicators for local adaptation, monitor changing contexts of vulnerability to inform community-based adaptation planning; help ensure mutual accountability of and to stakeholders, managers and donors by demonstrating to what extent project objectives have been met, and whether the objectives remain the right ones.

Source: *Participatory Monitoring, Evaluation, Reflection and Learning for Community-based Adaptation: A Manual for Local Practitioners, CARE International*
3. Local Development Process - Budgeting

The budgeting process is the second most central aspect of the local governance process in the proposed Framework. The Framework to enhance resilience building in local governance promotes alignment of the budgeting process to local development plan and building downward accountability and upward policy dialogue based on the results. The key steps in the budgeting process as highlighted in the Framework include resource allocation decisions, resource mobilisation, financial delivery, contracting and book keeping, tracking finances and reporting. This section will discuss selected tools and approaches which can be used to implement activities under budgeting that were recommended in the Framework.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Selected tools for carrying out activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Budgeting and tracking expenditures</td>
<td>✓ Climate Public Expenditure and Institutional Review (CPEIR)</td>
</tr>
<tr>
<td>3.2 Accountability mechanisms</td>
<td>✓ Community score cards, citizen reports and PMERL</td>
</tr>
<tr>
<td>3.3 Improving learning</td>
<td>✓ Learning for a Low Carbon Climate Resilient Society</td>
</tr>
<tr>
<td>3.4 Policy advocacy</td>
<td>✓ Dialogue forums</td>
</tr>
</tbody>
</table>

3.1 Budgeting and tracking expenditures

The Framework proposes that budgets should be transparent, and information about the way in which they are addressing resilience should be made available to the public. This is a challenge given that climate change is not a specific function, but rather cuts across functional areas. The CPEIR is an important tool which can support the budget formulation and expenditure tracking process in a transparent manner.

a) Climate Public Expenditure and Institutional Review (CPEIR)

UNDP, Overseas Development Institute (ODI) and Capacity Development for Development Effectiveness (CDDE) have developed the CPEIR methodology to review how climate change related expenditures are integrated into national budgetary processes. It is a key building block in developing a Climate Fiscal Framework. There are three core aspects of the national administration in relation to climate change actions that are explored within the CPEIR:

- An assessment of current policy priorities and strategies as these relate to climate change;
- A review of institutional arrangements for promoting the integration of climate change policy priorities into budgeting and expenditure management;
- A review of public expenditures including the integration of climate change objectives within the budgeting process, including as part of budget planning, implementation, expenditure management and financing.

These three elements provide an essential governance framework for effective climate change actions. Work has also been commissioned by UNDP to ensure that poverty and gender are being integrated within CPEIRS. It offers options for undertaking a climate public expenditure review from a gender and poverty perspective, depending on the country budgetary institutions, data availability and level of disaggregation by poverty and gender. This could be broadened to include other socially excluded groups. The Key Steps for Including Poverty and Gender Analysis within CPEIRs include:

- Use country level climate change impact assessment data as the baseline
• Identify key climate change risks (sea level rise, tidal floods, reduced water availability, drought due to changing rainfall pattern and intensity) and undertake gender and poverty analysis
• Map sectoral impacts (e.g. food security, agriculture, energy, health, infrastructure, urban, housing etc.) and conduct gender and poverty analysis
• Examine policies to increase climate resilience, reduce poverty and gender inequality, especially in the sectors that are affected by climate change
• Delineate institutional arrangements for mitigating climate risk and identify areas for strengthening the institutional framework for a pro-poor and gender sensitive climate response
• Conduct a public expenditure review using data at the most disaggregated level possible and undertake a poverty and gender analysis
• Provide recommendations for improving effectiveness of climate finance from gender and poverty perspective

A further useful tool is gender auditing, or the analysis of budgets in a gender sensitive way. This is a process that is conducted after a budget has been adopted and implemented. Financial outlays are assessed – looking at trends over time, allocations, the outcomes and impacts of budgetary outlays, and financial systems – through a gender lens. It is part of a wider process referred to as ‘gender budgeting’ that also includes policy appraisal and resource allocation or budgeting. It is therefore following each step of budgeting in a gender sensitive way - conceiving, planning, approving, executing, monitoring, analyzing and auditing budgets. It helps governments to decide how policies need to be made, adjusted and reprioritized. The impact of government spending on the most disadvantaged women is a particular focal area.


3.2 Accountability mechanisms
Accountability is an underlying principle of Framework. Building accountability within local climate finance can help to achieve overall transparency and good governance. Getting these processes right is also crucial if climate finance is to be accurately monitored and reported on. A number of tools that exist that can be used to enhance accountability;
• Community score cards - is a two-way and ongoing participatory tool for assessment, planning, monitoring and evaluation of services. The Community Score Card brings together the demand side (“service user”) and the supply side (“service provider”) of a particular service or program to jointly analyze issues underlying service delivery problems and find a common and shared way of addressing those issues.
• Citizen report cards – involves polling citizens to get their opinion on the quality of service delivery in a given sector, and can be used to assess the performance on climate change interventions at the local level.
• Participatory monitoring and evaluation, and institutional mapping (refer to CARE PMERL above)
3.3 Improving learning for climate fund effectiveness

Learning activities range from exchange visits, mentoring, and lesson learning events. These should be art of a wider learning strategy. A recent process held by DFID raised some fundamental questions around learning to improve effectiveness around impactful climate change investments and policy. These questions can be used as a guide to document lessons.

1. What kind of incentives can be designed into programmes and projects to prioritise and enable really effective learning?
2. How could learning processes and monitoring and evaluation be linked to enable maximum benefit from both? When should they be linked and when not?
3. How do we capture and share learning systematically?
4. How can we measure and demonstrate the impact of our learning processes?
5. How can we enable the flow of learning between practice on the ground and higher level policy making in highly political contexts?

Source: Learning for a Low Carbon Climate Resilient Society, LEAD

3.4 Policy support and advocacy

A feedback mechanism is key to building a dialogue on resilience and poverty reduction. Different options exist for stakeholders and policy-makers to familiarise with the links between poverty and vulnerability such as meetings with key policy-makers, events to provide a ‘neutral space’ to debate issues and or to share experience of existing interventions and innovative pilots. These should demonstrate the relevance and effectiveness of focusing on the ‘triple win’ of climate resilience, poverty and social inclusion – to help in convincing policy makers to adopt a different approach. Examples of innovative ways in which UNDP programmes have engaged with policy and helped to shape a more integrated approach is highlighted in section 4 below.
4. Country experiences

The following outlines country experiences of applying tools and approaches that have been highlighted above.

<table>
<thead>
<tr>
<th>Type of tool or approach</th>
<th>Country</th>
<th>Application of tool or approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Categorical targeting</td>
<td>Pakistan</td>
<td>A programme that has incorporated context-specific targeting is the Pakistan Poverty Alleviation Fund, following the 2005 earthquake in Pakistan. The following criteria were used: widows without sons over the age of 18; women with disabled husbands; divorced, abandoned, and unmarried women who are past marriageable age and are dependent on others; people with physical or mental disabilities; orphans; unaccompanied people over the age of 60; people left landless as a result of the earthquake.</td>
</tr>
<tr>
<td>Geographic targeting</td>
<td>Cambodia</td>
<td>In Cambodia, a review of targeting applied by projects funded by the Cambodia Climate Change Alliance (CCCA) found that all of the projects used geographical targeting, with assessments of the climate risks to an area (e.g. the susceptibility to flood or drought), and to a local population or community collectively. For some, this was then aligned with poverty incidence of an area. Some projects then analysed further to understand who the poorest and more vulnerable were and their vulnerability to climate risks. For example, a Sustainable Rice Fish Farming Project included an element targeted to the landless. Another project is supporting (a limited number) of very vulnerable households including the elderly and women living with HIV/AIDS.</td>
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<tr>
<td>Prioritisation exercise</td>
<td>Bangladesh</td>
<td>A UNDP-LDCF-GEF pilot project has approached coastal afforestation through a climate ‘lens’. Along 14 kilometre of coastline, UNDP is working with the Forest Department and the communities themselves to plant mangroves. A pioneering part of the project is the creation of the “Forest, Fish and Fruit” (or “Triple F”) model to transform barren coastal land into productive land. By building mounds and ditches, fruit and timber trees can be grown, fish can be cultivated and high yielding vegetables between the trees and along the banks of the ditches. This is targeted at many of the vulnerable groups in the community. Only the landless are included; the ultra/ extreme poor, those living outside or on the embankment who are the most vulnerable to climate change, abandoned/ widowed female heads of households and those living adjacent to the site. A significant factor of the model is that it can accommodate 8-10 families on just one hectare of land (UNDP, 2011).</td>
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</tbody>
</table>
| Resilience measurement   | Ethiopia        | Resilience capacity assessment used the following indicators. Absorptive capacity  
  - Bonding social capital  
  - Shock preparedness and mitigation (e.g., livestock off-take)  
  - Access to informal safety nets  
  - Availability of hazard insurance  
  - Household ability to recover from shocks  
Adaptive capacity  
  - Human capital  
  - Bonding social capital |
<table>
<thead>
<tr>
<th><strong>TAMD Framework</strong></th>
<th><strong>Cambodia</strong></th>
<th>The TAMD Framework is being applied within Cambodia, supported by UNDP’s CCCA. It is also being piloted in Kenya, Mozambique, Nepal, Pakistan, Ethiopia, Uganda and Tanzania.</th>
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<tbody>
<tr>
<td><strong>Accountability mechanisms</strong></td>
<td><strong>Cambodia</strong></td>
<td>In Cambodia, the UNDP funded Small Grants Programme (SGP) invites all partners - specifically one NGO and Community Based Organisation (CBO) from each project- to a reflection workshop. They provide the CBOs with a complaints and grievances phone number and let them know that if they have any concerns about the management of the projects (by the partner NGO) that they can contact the programme using the number. If the SGP receive a call from a CBO concerned about mismanagement, they carry out a spot check on the NGO and if mismanagement is found to have occurred, they take the NGO to Local Government, and ensure that any money is returned.</td>
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<tr>
<td><strong>Policy advocacy</strong></td>
<td><strong>Bangladesh</strong></td>
<td>In Bangladesh, the UNDP engaged policy staff through a fieldwork study. The UNDP Bangladesh programme, Institutional Strengthening and Capacity Building in Bangladesh, recognised that there was a capacity gap in understanding poverty, climate and linked disaster issues, and engaged policy-makers to integrate a Poverty Environment Climate and Disaster Lens in national policies. To provide evidence on PECD linkages and action-oriented policy recommendations, a socio-economic analysis was undertaken in the overall context of national development strategies. The approach to this was innovative. The study used a case-study approach to study the adverse impacts of climate change to the most vulnerable sectors: agriculture, water, rural development and transport. 22 selected development projects were reviewed as cases to explore the PECD nexus. Interestingly, case-study teams were formed for each sector, and included the concerned ministry, sector division, implementing agency of the project, department of environment and experts in the sector. The completed case studies revealed the existence and relevance of PECD linkages in the project document and implementations. Implementation and operational risks due to climate change and disaster risk reduction were not considered in the log frames and</td>
</tr>
</tbody>
</table>
activities, thus rendering most of the projects vulnerable to climate change impacts and compromising the benefits. A key lesson was gaining buy-in from the relevant government ministries from the beginning, and involving them in the process to gain ownership. It also gave those involved the contextual understanding of the PECD nexus and thresholds of what is acceptable. A challenge was the lack of time for government staff to be involved (1-2 days) and it was felt that in the future those involved could benefit from vulnerability and gender awareness training. This was part of a wider capacity building process including national level capacity building and advocacy activities targeting planning, finance and other key development stakeholders, in order to disseminate and facilitate the use of key findings and knowledge on mainstreaming poverty-environment-climate issues into development planning processes. It also involved PECD training to enable ministry staff to be equipped for addressing pro-poor, environment friendly and climate resilient development which will contribute to resilient development. The capacity building has influenced the formulation of targeted national and sectoral planning documents such as the Five-Year Plan, Annual Development Programme (ADP), Perspective Plan (2010-2021), and National Sustainable Development Strategy 2010-2021.

<table>
<thead>
<tr>
<th>Policy advocacy</th>
<th>Cambodia</th>
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<tr>
<td>In Cambodia, UNDP recognised an institutional gap at the National Climate Change Committee and established the Cambodia Climate Change Alliance. The CCCA is anchored in the government’s National Climate Change Committee (NCCC), which is the mandated government coordinating and policy support entity for all aspects of climate change. The programme aims to strengthen the capacity of the National Climate Change Committee to fulfill its mandate to address climate change and to enable line ministries, local government institutions and civil society organisations to implement priority climate change actions. Key achievements include climate change getting recognised as one of the cross-cutting issues (with gender and disaster risk management) for the National Strategic Development Plan 2014-2018, currently under development; and in its first stage 19 grants were provided to various line ministries, local government and civil society organisations to build community resilience in more than 8 different priority sectors. The CCCA is currently enhancing its focus on poverty and vulnerability, which will also provide the strategic opportunity to engage the NCCC and have an influence beyond the programme.</td>
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Annex 1 – Summary of UNDP Regional Programme - Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable

Governments are driven by the national and international sustainable development commitments aimed at driving economic growth and reducing poverty. The national processes for decision-making and actions that determine and regulate the future social, economic and environmental prospects of a country are often complex and multi-dimensional. Governments must effectively manage the allocation of scarce public resources ensuring that macroeconomic policy has optimal poverty and social impacts in an environment with adequate transparency, and accountability. At the center of this complexity are Ministries of Finance and Planning which have the challenge of ensuring that national plans and budget allocations are well targeted, well-prioritized and likely to result in the achievement of national development goals. Decisions around resource allocation are often complicated, highly contested and political in nature, generating widespread national debate and increasing planning complexity. Robust country systems and strong governance environment are crucial to ensuring sustained growth over the long term. Strong public financial management (PFM) systems are essential for effective and sustainable economic development and public service delivery. National planning and budgeting cycles, which are central to this, therefore need to be strong, effective and responsive.

Against the backdrop of this already complex context, climate change comes as a defining challenge and one of the most pressing threats to development and poverty reduction more broadly. The regional programme on ‘Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable’ uses a ‘whole of government’ approach to improve the governance of climate change finance for the poor and vulnerable in Asia and the Pacific. In particular, the programme is working to ensure that ministries of finance, planning and local government/rural development are engaged in national climate change dialogue (traditionally led by ministries of Environment) and is developing tools to ensure that the national and sub-national budget process systematically addresses climate change. It focuses on strengthening institutional capacities, systems and processes to better manage climate finance. This will result in strengthened public financial management systems for more effective allocation and use of both domestic and international climate finance.

The programme, which operates in six pilot countries (Bangladesh, Cambodia, Indonesia, Thailand, Nepal and Pakistan), has three key outputs:

5. To strengthen the policies and institutional arrangements, which will ENABLE PLANNING AND BUDGETING to effectively prioritise climate change finance;
6. To support the government modalities, which will ENABLE DELIVERY of climate change finance, including the national budget and government-led programmes;
7. To SHARE experience across the region and globally through strengthening key regional institutions.
The implications of climate change on poverty are well documented. Climate change and climate vulnerability can negatively affect people, particularly the poor due to various shocks and stresses associated with it. This includes flooding, drought, water stress, sea-level rise and inundation of coastlines and increased intensity of natural hazards such as monsoons and cyclones. Ocean warming causes acidification, which affects coral reefs and threatens marine life. These shocks and stressors lead to loss of lives, livelihoods, damage to infrastructure, disruption of service delivery and food insecurity. It is globally agreed that the poorest will bear the brunt of the effects of climate change which are threatening to reverse development gains in many countries. The global climate change negotiations platform acknowledges that climate change must be tackled as one component of the sustainable development agenda especially since international climate funds are anticipated to exceed current development expenditure. It is, therefore, important that climate finance is effectively managed and targeted at the most vulnerable, providing them with the means to build resilience and contributing to the poverty reduction agenda.

Figure 1: Climate Finance for Pro-poor, Climate Resilient Growth

1.1 Delivering Benefits for the Poor and Vulnerable
For the regional programme, the objective in strengthening the governance of climate change finance at both national and sub-national levels is to ensure that the poor and vulnerable are adequately protected from the effects of climate change and benefit from well-planned national and sub-national adaptation and mitigation investments and programmes whether directly or indirectly.

The programme’s entry point of the Planning and Budgeting cycle is highly relevant for more effective, pro-poor allocation and use of both domestic and international climate finance. The programme addresses the poverty aspects of planning and budgeting from three angles:

1. Analysing the degree to which climate change finance allocations align with climate resilient development plans and meet strategic priorities outlined in climate change policies and action...
plans. This includes assessment of whether climate change finance allocations align with poverty incidence within countries i.e. is climate finance being targeted to the poor? This has included the roll out of sub-national expenditure analysis (CPEIRS) in Indonesia and local Climate Financing Frameworks in Bangladesh which will provide a framework for better management of climate finance at local level. The programme will use the outputs from sub-national expenditure analysis (CPEIRS and local CCFF) to develop policy recommendations around inter-governmental transfers and financial allocations at local level as well as developing mechanisms for transfer of money to vulnerable communities. At national level, the programme has focused on the sector ministries that are most relevant in addressing both climate and poverty (e.g. Ministries of Agriculture) and is working to strengthen evidence-based budget submissions that prioritise sector investments that will deliver both climate resilience and poverty reduction benefits.

2. Analysing the poverty impacts of the various climate change investments and programmes particularly the degree to which climate-related expenditures have different impacts on the poor and vulnerable (including on gender). This includes reviewing the way in which projects and programmes, as mechanisms for the delivery of climate finance, are designed, implemented and monitored. The programme is supporting pilot programmes to demonstrate Integrated programming principles at the local level in order to considered ways to strengthen the climate and poverty linkages at the programme design and implementation level, thus ensuring that climate finance is spent on the most effective programmes.

3. Analysing the various channels of accountability for climate finance, i.e., do the poor have adequate voice to influence financial allocations and feed into climate finance policy. This includes working at local level to build participatory planning and budgeting processes and social audit functions in local government. It also includes working with high-level decision making bodies to integrate national and sub-national climate and poverty responses.
Annex 2 – Indonesia Case Study –
Annex 3 – Cambodia Case Study
Annex 5 – Bangladesh Case Study