The Integration Imperative

A snapshot of USAID's progress in mainstreaming adaptation to climate change

EXECUTIVE SUMMARY

Climate change affects poor people in developing countries first and worst, and this trend is expected to worsen in decades to come, jeopardizing efforts to promote sustainable development and reduce global poverty.

Reducing the greenhouse gas emissions responsible for climate change is a critical and necessary component of reducing climate risks. But climate change is already here, and substantial additional changes will come even if emissions were stopped today. Understanding climate risks and building people's capacity to cope with the impacts of climate change is imperative to the long-term sustainability of development efforts.

The US government is working to strengthen adaptive capacity in the developing world through its foreign assistance investments. In addition to specialized climate change adaptation programs initiated through the Global Climate Change Initiative, the US Agency for International Development (USAID) has emphasized the need to integrate climate change considerations throughout its development portfolio.

As integration efforts have progressed, so too has the US government's accounting of climate finance based on these integrated initiatives. Analysis of the US State Department's Fast Start Finance reports reveals that more than half of the reported US contribution to international climate adaptation assistance is "indirect" climate finance, derived from adaptation "co-benefits" that arise from the integration of climate change adaptation efforts in other development sectors, such as food security and water and sanitation initiatives.

How are such integration efforts supported and measured? If the US government is taking credit for adaptation co-benefits in its financial reporting, what systems are in place to ensure that such co-benefits are actually delivered in development efforts? This paper, based on a review of USAID strategy and guidance documents and interviews with USAID staff and partners, seeks to shed light on these questions.

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USAID has taken some important steps to support integration that delivers adaptation co-benefits. The agency has produced multiple guidance documents and tools to assist its bureaus, offices, and missions in assessing climate risks and integrating adaptive responses into development activities, particularly in its food security work. USAID has also supported integration pilot projects to promote learning and sharing of best practices for integration.

However, much work remains to be done. Policy and strategy documents are uneven in their assessment of climate risks and vulnerabilities. Several development sectors lack any guidance for integrating climate change adaptation into development programming. While USAID has supported some training and tool development, staff and partners are left without clear directives for effective integration techniques, measures, and financial tracking of development interventions that deliver adaptation co-benefits.

Further resources are needed to fully and effectively support climate change integration and to accurately account for those investments in financial reporting toward the US commitment to international climate change assistance. In the area of indirect climate finance, in particular, the US government is not fulfilling its commitment to transparency in reporting climate change investments and results. To strengthen adaptation integration and accurate financial accounting of co-benefits USAID should:

- Develop clear, uniformly-applied methods for accounting and reporting indirect adaptation finance;
- Develop and apply additional sector-specific implementation guidance for integration;
- Provide incentives for mission staff to pro-actively identify opportunities for integrating climate change adaptation;
- Increase prioritization and resources for climate change vulnerability assessment across sectors;
- Encourage greater sharing of lessons learned among USAID missions, partners, and project implementers.

INTRODUCTION

> *"Reducing the risks of climate change impacts on people, places, and livelihoods—and anticipating building resilience to manage these potential impacts—depends on the deliberate and strategic integration of adaptation considerations into development plans and actions."*
>
> - USAID Climate Change Adaptation Policy Statement[1]

In June 2013, President Obama recommitted his administration to address the threat of climate change through the announcement of a comprehensive Climate Action Plan.[2] As part of that plan, he highlighted the need to strengthen global resilience efforts and provide global leadership to combat climate change.

These commitments are delivered through the Global Climate Change Initiative, one of President Obama's signature foreign assistance priorities, launched in 2009. The US Agency for International Development (USAID) plays a key role in implementing this initiative.

Beyond the direct action and Congressionally-appropriated funding that supports the Global Climate Change Initiative, however, is an emerging emphasis on mainstreaming climate change considerations across USAID's development work. As outlined in the 2012 climate change adaptation policy statement, contained in USAID's Climate Change Adaptation Plan:

> "USAID will consider the role of climate variability and change in constraining development across its portfolio, and will work with partners to build climate resiliency into national, sub-national, and local plans and actions in climate-sensitive sectors. This integrated approach will allow USAID to advance its core mission and development objectives while ensuring the long-term sustainability of USAID programs and operations."[3]

The emphasis given to integrating climate change considerations across development sectors is reflected in the US Department of State's summary of climate finance. For fiscal years 2010-2012, the U.S. contribution to global climate change adaptation efforts totaled almost $1.4 billion.[4] Of that amount, about half was "direct" financing of Global Climate Change Initiative (GCCI) activities channeled through USAID, Department of State, and multilateral funds that support adaptation.[5] Direct finance of this kind can be tracked

through the Foreign Assistance Dashboard, the Administration's Congressional Budget Justifications, and other sources.

There is a problematic lack of clarity regarding how indirect climate finance is identified and the extent to which it is delivering real climate adaptation co-benefits.

However, the finance that makes up the rest of the US government's reported adaptation figure is more difficult to publicly identify and track. This "indirect" adaptation finance is reportedly derived from climate change adaptation "co-benefits" that come from investments in other development sectors, such as food security and water and sanitation initiatives—initiatives that have, in theory, integrated or mainstreamed climate change considerations and are delivering climate change adaptation results.[6] A recent investigation of international climate assistance carried out by the Government Accountability Office indicates that non-GCCI activities represented about two-thirds of US international climate funding in 2010-2012; during that period, USAID provided $1.2 billion for activities that primarily supported non-climate development objectives, but reportedly also had climate-related benefits.[7]

The US government tracks both direct and indirect spending on international climate programs to report on a commitment made at the international climate change negotiations in Copenhagen in 2009. There, the US pledged, along with other industrialized countries, to collectively contribute $30 billion in "Fast Start Finance" by 2012 to support climate change activities in developing countries and to ramp up that support to $100 billion per year by 2020.[8] While the US government has published Fast Start Finance reports providing examples of its climate-related activities in more than 120 countries, the reports do not include a breakdown of direct and indirect climate investments.

Assessing climate risks and building people's capacity to cope with the impacts of climate change is imperative to long-term sustainability of development efforts. USAID has begun this integration process across its development portfolio, and Fast Start Finance figures indicate that the US government is counting some portion of this integration toward its international climate finance commitments. However, there is a problematic lack of clarity regarding how indirect climate finance is identified and the extent to which it is delivering real climate adaptation co-benefits.

This paper is an initial exploration of the programs and sectors that might be included in the indirect climate finance tally. Drawing on document reviews and interviews with USAID staff and implementing partners, it first provides an overview of ways in which climate change adaptation is currently reflected in strategies and policy documents across USAID development programs. It then summarizes current technical guidance and tools USAID has developed to support missions and partners in efforts to integrate climate change adaptation considerations into their work. A brief case study from Senegal highlights some of the challenges mission staff and their partners are facing

in their efforts to integrate and track climate change adaptation in food security initiatives.

The paper stops short of assessing the on-the-ground impact of integration efforts, nor does it assess larger theoretical questions of criteria that should be used to assess whether indirect climate finance meets international standards of “new and additional,” as called for in Article 4.3 of the United Nations Framework Convention on Climate Change and the Copenhagen Accord. These are important questions for further investigation as the process of integration matures. The focus of this paper is to summarize the progress USAID has made in developing information and guidance to support integration. Based on this review, Oxfam calls for further resourcing and strengthening of integration processes—including greater transparency in methods of financial accounting of indirect climate finance.

THE INTEGRATION OF CLIMATE CHANGE ADAPTATION IN USAID'S DEVELOPMENT STRATEGIES AND POLICY DOCUMENTS

In January 2012, the US Agency for International Development released a new climate change and development strategy. In addition to goals to promote climate change mitigation and adaptation, the third and final goal of the strategy is to "Strengthen development outcomes by integrating climate change in USAID programming, learning, policy dialogues, and operations."[9]

The concept of integrating climate change has advanced quickly in some of USAID's program areas—such as food security—with specific plans, tools and indicators to measure progress. In others, the idea of climate change integration is either just emerging or non-existent in publicly-available strategy documents and reports (see Box 1). In none of the programs reviewed, with the exception of food security, has USAID provided guidelines for identifying and reporting a portion of project funds as indirect climate finance. The following sections provide an overview of how USAID has incorporated climate change impacts and adaptation into strategy documents and program areas across its development portfolio.

Box 1: USAID strategy and policy documents that are surprisingly silent on climate change

Given the significant and well-documented impacts of climate change on global health generally, and on patterns of vector-borne diseases in particular, it stands to reason that health strategies and programs will be more effective over the long-term when such impacts are taken into consideration. Similarly, there is a growing body of knowledge about the gendered impacts of climate change, and the ways in which responding to climate change can inhibit or support women's empowerment. Yet the following recent USAID documents lack reference to climate change:

1. Global Health Programs: Report to Congress FY2012
2. Pandemic Influenza and Other Emerging Threats (2012)
3. Lantos Hyde United States Government Malaria Strategy 2009-2014 (2010)
4. Gender Equality and Female Empowerment Policy (2012)

Sources: IPCC 2007, Working Group II Report: Impacts, Adaptation and Vulnerability. Chapter 8: Human Health. UNDP 2012, Gender and Adaptation

CLIMATE CHANGE ADAPTATION IN USAID'S FOOD SECURITY INITIATIVES

Given the projected impacts of increasing temperature, shifting rainfall patterns, and extreme weather events on agriculture, it is not surprising that USAID has placed a relatively heavy emphasis on incorporating climate change adaptation strategies into food security strategy documents and operating plans. "Climate-smart development" is one of six focus areas[10] for Feed the Future, the US government's global hunger and food security initiative.

To date, Feed the Future has characterized much of its climate effort in the area of research and technology. Areas of focus include identifying ways to breed seeds that are more tolerant of drought, heat, and disease and strengthening the resilience of livestock and fisheries. Efforts are also underway to support improved agricultural practices such as integrated watershed management and soil management initiatives that can help to reduce productivity risks that are heightened by climate change.[11]

These efforts indicate growing interest and prioritization of climate change integration within USAID's Bureau of Food Security. However, integration is not mandated and therefore remains piecemeal.

These efforts indicate growing interest and prioritization of climate change integration within USAID's Bureau of Food Security. However, integration is not mandated and therefore remains piecemeal. Explicit measures of climate change adaptation, for example, are not included in Feed the Future progress reports and scorecards. In monitoring progress of Feed the Future investments, USAID missions are encouraged (though not required) to integrate specific actions and indicators into performance monitoring plans to track progress in the area of climate change adaptation. Feed the Future has developed specific adaptation-related indicators, including "Number of stakeholders implementing risk-reducing practices/actions to improve resilience to climate change as a result of USG assistance," and "number of stakeholders using climate information in their decision making as a result of USG assistance."[12] However, it is not clear how many missions are using these indicators, and results have not yet been reported in publicly available documents.

CLIMATE CHANGE ADAPTATION IN USAID'S FORESTRY AND BIODIVERSITY PROGRAMS

USAID's Forestry and Biodiversity Office has produced a number of strategy documents that incorporate references and activities related to the integration of climate change adaptation into its programs. While the documents (listed below) indicate some level of integration, the extent to which the Forestry and Biodiversity Office has used a systematic approach to assess climate risk, identify adaptation objectives, or measure progress in the area of climate

change adaptation is unclear. In addition, there are no publicly-available documents that indicate how much, if any, of USAID's forestry or biodiversity work is counted as indirect climate adaptation finance.

- In its 2012 report *Biodiversity Conservation and Forestry Programs*, USAID reported that $11 million of its $232 million investment in forestry programs in fiscal year 2011 was directed to programs "to restore or maintain forests for local services, such as freshwater supply and regulation, or reduced vulnerability to climate change risk factors and storm surge."[13] Further detail on how much of the $11 million supports reduced vulnerability to climate change, where, or how such reductions in vulnerability are measured are not included in the report. In describing benefits to food security, the report refers to the use of climate modeling to identify areas where land and water resources can be allocated for optimal benefit, such as indicating where game reserves can be more lucrative and sustainable than ranching or farming. Once again, however, details are not provided regarding where and how such climate modeling has been used to strengthen food security outcomes.

- The June 2013 *Sustainable Fisheries and Responsible Aquaculture: A Guide to USAID Staff and Partners* outlines the impacts that changing ocean and freshwater temperatures can have on fisheries and highlights the role that healthy fisheries habitats (such as coral reefs and mangroves) can play in climate change resilience. The guide emphasizes the need to build climate change considerations (along with other cross-cutting issues of gender awareness and sustainability) into all USAID programs. It introduces the concept of ecosystem-based fisheries management as a tool that helps assess and plan for the impacts of climate change.[14] The guide does not provide specific guidance on how USAID staff and partners should carry out or measure such integration, but does refer readers to a separate guide, *Adapting to Coastal Climate Change*, developed by USAID's climate change and water teams (described below).

- A draft *Biodiversity Strategy*, released for comment in June 2013, highlights climate change as a dramatic driver of biodiversity loss, due to direct impacts such as increased ocean acidity and drought, as well as indirect impacts through the exacerbation of threats like invasive species and wildfires.[15] The strategy also notes that the protection of biodiversity and healthy ecosystems support resilience to climate shocks, and commits to an evidence-based action and learning agenda that includes the integration of climate change considerations to produce sustainable biodiversity conservation and development outcomes. As the strategy is

finalized and rolled-out, further guidance for implementing its stated commitment to the integration of climate change will be needed.

CLIMATE CHANGE ADAPTATION IN USAID'S WATER PROGRAMS

In May 2013, USAID released its first global *Water and Development Strategy* to guide the agency's water programming in ways that protect human health, promote sustainable development, and achieve humanitarian goals. The strategy's overall goal is to "save lives and advance development through improvements in water supply, sanitation and hygiene (WASH) programs, and through sound management and use of water for security."[16]

The strategy outlines key impacts of climate change on water resources, including the effect of rapid glacier melt on water supplies, saltwater intrusion as a result of sea-level rise, and the impact of increased rainfall variability on rainfed agriculture. While the strategy notes climate change as a key development challenge that is putting water resources under increasing pressure (along with population growth, increased demand for energy, natural disasters, conflict, and other factors), its specific directives that relate to assessing climate risk, reducing climate vulnerability, and strengthening adaptive capacity are limited and vague.

Notably, the strategy focuses its attention on two key objectives: water for health and water for food, while deferring to USAID's *Climate Change and Development Strategy* (see above) for guidance on action related to water and climate change.[17] Explicit incorporation of climate change is not outlined in the strategy's WASH priorities, though it does call for "programs to reduce the vulnerability of farmers to rainfall variability by diversifying household economies and investing in systems that are less vulnerable." It also notes support for "increased efforts to encourage national and local stakeholders to incorporate climate and ecological vulnerabilities into their planning and decision-making processes."[18]

While one of the strategy's operational principles is to "achieve resilience," it simply states that through increased efforts to support integrated water and watershed management practices, it "seeks to strengthen adaptation and resilience to climate change in accordance with the USAID Climate Change and Development Strategy."[19] As of this writing, USAID's Water Office has not yet determined how the strategy's implementation will be measured and evaluated, so it is unclear if indicators that encourage explicit integration of climate change risk assessment and adaptive capacity will be included.

While the water and development strategy contains clear statements about the value of integrating climate change adaptation considerations into the

work of USAID's Water Office, as yet there is little evidence that specific actions are underway to fulfill these good intentions. There are some ad hoc efforts, however, to concretely advance the integration of climate change adaptation in specific areas. One such example is coastal resource management, for which USAID's Climate Change Office and the Water Office have developed a step-by-step guide for integration (see description in next section).[20]

USAID GUIDANCE AND TOOLS TO SUPPORT INTEGRATION

The strategies and policy documents outlined in the previous section demonstrate the extent to which USAID is conceptually linking climate risk and adaptive capacity in several of its program areas. Once the conceptual link is made, specific guidance and tools are needed to ensure climate risks are considered and responded to in the context of development programming.

The long-term vision of USAID's *Climate and Development Strategy* is to strengthen USAID's ability to govern climate change funds based on best practices and lessons learned, and to "to consider climate change more fully in the design and implementation of its broader development portfolio."[21] The strategy outlines several areas of focus that are central to the integration agenda, including designing pilot activities for integration (see Box 2) and developing integration guidance for country strategies and project design.

Box 2: Integration pilot projects

In an effort to encourage early adoption of "climate smart" development practices and to compile lessons learned about the process of integration, USAID is supporting integration pilot projects in several missions. Areas of focus for integration include:

1. Adaptation and disaster risk reduction (Angola)
2. Adaptation, education, and health (Benin)
3. Adaptation and food security (Central Asian Republics, Dominican Republic)
4. Adaptation and governance/civil society (Ethiopia, Macedonia)

These two-year projects are expected to conclude in 2014. USAID intends to use interim progress and results from the pilots as teaching tools to inform the process of integration in priority sectors.

Source: USAID. ND. Integration Pilot Projects: Climate Change Fact Sheet. Available at http://transition.usaid.gov/our_work/environment/climate/docs/Integration_Pilots_factsheet.pdf

USAID's Office of Global Climate Change has produced multiple guidance documents and tools to assist bureaus, offices, and missions in assessing climate risks and integrating adaptive responses into development activities.

Some of these guidance documents—such as guidance in the coastal resource management sector—provide a high level of detail for implementation. In the realm of training, Office of Global Climate Change staff indicated that the office has developed and delivered trainings to several hundred USAID staff; the Bureau for Food Security stands out in efforts to build capacity for integration among USAID staff, collaborating with the Office of Global Climate Change on a training program in 2013.

[USAID's] commitment to transparency in its climate change programming... is laudable; however, there is room for improvement.

While these are steps in the right direction, more is needed to support and encourage the process of integration across USAID's development work. And given the significance that such integration holds for how the US government is accounting for its international climate finance contributions—and whether it actually meets its commitments—greater guidance and clarity is needed for accurate and consistent accounting of integration's contribution to climate finance.

Notably, USAID's climate and development strategy reiterates the agency's commitment to transparency in its climate change programming and to reporting its investments and results. This commitment to transparency is laudable; however there is room for improvement in acting on the transparency commitment.

What follows is a representative sample of key integration guidance documents produced to date.

MANUALS AND GUIDES ON INTEGRATION

One of the first such documents was the 2007 guide, *Adapting to Climate Variability and Change: A Guidance Manual for Development Planning*.[22] The manual provides a general overview of climate change impacts on sectors such as agriculture, human health, and water resources. It introduces a step-by-step process for assessing vulnerability, analyzing adaptive options, implementing and evaluating adaptation actions. Based on four pilot studies that responded to a variety of climate risks, the manual includes extensive illustrative examples and links to further (non-USAID) resources and tools.

The Office of Global Climate Change has also developed guides describing specific sectoral climate change risks and adaptation options, such as *Addressing Climate Change Impacts on Infrastructure: Preparing for Change.*[23] This guide provides a series of briefs on climate change risks to transportation, potable water, sanitation systems, solid waste management, energy systems, information and communications technology, flood control structures, cultural heritage assets, and buildings. While not a comprehensive tool for design and implementation, it provides tips on integrating climate

change adaptive management into project design and offers guidance on prioritizing adaptation needs.

More detailed sectoral guidance can be found in USAID's 2009 guide *Adapting to Coastal Climate Change: A Guidebook for Development Planners.*[24] Developed with joint support from USAID's Office of Global Climate Change and the Water and Coastal Team, the guide walks users through multiple steps to support integration of climate change adaptation in coastal resource management, including assessing vulnerability, selecting a course of action, implementing that action, and evaluating for adaptive management. An annex provides more in-depth detail and guidance for the implementation of specific adaptation measures, such as reducing exposure of the built environment, diversifying livelihoods for climate-sensitive coastal livelihood strategies, and reducing risk to human health and safety.

A promising development for climate change integration is the newly-developed Supplemental Guidance for Country Development Cooperation Strategies (CDCS). This guidance encourages USAID missions to fully consider climate change during country-level strategic planning processes and requires missions launching a CDCS process to demonstrate that they took into account the integration of climate change considerations in the CDCS by answering several detailed questions (see Box 3).

Box 3: CDCS supplemental guidance for integrating global climate change

The following are among the questions that USAID mission operating units are required to provide answers to when engaging in the CDCS process:

1. How have previous strategic plans or program results in specific sectors been affected by climate change (such as changes in temperature, rainfall, storm frequency, or coastal degradation)? Did these events disproportionately affect certain regions or populations? How might these or projected future changes in climate affect the mission's strategic goals, priority development objectives, intermediate results and activities?

2. How have climate events affected citizens and host country government development strategies, activities, and priorities?

3. Are there opportunities to avoid or reduce climate impacts by building national, community or household resilience through host country government and non-governmental organization planning?

Source: USAID 2012, CDCS Supplemental Guidance for Integrating Global Climate Change (obtained through Freedom of Information Act request)

The supplemental guidance includes guiding principles for climate change analyses and strategic program planning, including “strengthen civil society and engage all stakeholders,” “partner and coordinate with other donors,” “apply mandatory gender analysis,” and “value ecosystem services and sustainable landscape management.” While there is not yet publicly-available analysis of how the supplemental guidance has been applied, ongoing support and accountability for missions to consistently apply the guidance could advance the process of integration significantly.

The *USAID Climate Change Adaptation Plan*, a draft of which was released in March 2013,[25] outlines a range of activities the agency expects to undertake to further support integration, including the creation of new “adaptation mainstreaming guidance” that is intended to update the 2007 guide, as well as “sectoral adaptation guidance” to focus more deeply on methods for mainstreaming climate considerations in water, coastal and marine, gender and vulnerable populations, and governance work. While the plan states that these briefs were to be completed in 2012, they are not currently publicly available.

TRAININGS AND LEARNING EXCHANGES

The *USAID Climate Change Adaptation Plan* also lays out a plan for training USAID staff in climate change adaptation. The plan highlights Fiscal Year 2013, in particular, as a year of focus for training USAID staff on the integration of climate change adaptation into climate-sensitive sectors. Staff in the Office of Global Climate Change have indicated that both Washington- and mission-based trainings in the areas of agriculture and water are underway.

According to USAID staff, over the past three years the Office of Global Climate Change has trained 395 USAID staff in Washington and in overseas missions through online and classroom-based trainings. In the past year, trainings have shifted to a model of mission-based trainings, tailoring course material to missions' needs, while also expanding the training audience to include non-environment staff, implementing partners, and government partners.

Other USAID offices have collaborated and/or led additional sector-specific training activities. Feed the Future has supported training and information-sharing on best practices for integration of climate change considerations, such as a December 2011 “climate-smart agriculture” workshop in Nairobi targeting eight Feed the Future focus countries.[26] In June 2012, three USAID Missions that have proactively undertaken efforts to integrate climate change

adaptation into their food security programs—Cambodia, Tanzania, and Haiti—shared lessons learned from their efforts in a USAID Global Learning and Evidence Exchange (GLEE).[27] USAID staff indicated that the Office of Global Climate Change has collaborated with the Engineering and Infrastructure Office to develop climate change modules for annual infrastructure training.

At the time of this writing, USAID has no publicly-available information that indicates how missions or implementing partners determine 1) if a development activity delivers climate co-benefits, and 2) how financial accounting for those climate benefits take place.

GUIDANCE FOR IDENTIFYING INDIRECT CLIMATE FINANCE

It is not possible to ascertain what funding USAID is counting towards supporting climate change adaptation indirectly, or whether such integration efforts are reaping results. At the time of this writing, USAID has no publicly-available information that indicates how missions or implementing partners determine 1) if a development activity delivers climate co-benefits, and 2) how financial accounting for those climate benefits takes place. Likewise, there are no publicly-available budget documents that indicate the sources or sectors that comprise the large sum of indirect climate adaptation finance that is contained within the State Department's Fast Start finance reports.

The lack of transparency and accountability in tracking this component of climate finance is troubling. While USAID has developed some preliminary guidance for tracking climate finance, the agency has not made that guidance publicly available. To learn more about the guidance currently in use, Oxfam, along with several partners, submitted a Freedom of Information Act (FOIA) request to USAID and the State Department in September 2012. As of September 2013, the request has been only partially fulfilled, and the response sheds only partial light on how such tracking has taken place to date.[28] FY2010 Operational Plan Guidance (obtained through the FOIA request) defines the kinds of activities that can be considered adaptation for reporting purposes:

> "The goal of activities… is to build adaptive capacity in regions and countries affected by the negative impacts of climate change. Activities that support adaptation programs should have conducted a climate vulnerability and adaptation analysis building on existing analyses and assessments and be addressing needs identified through that analysis. Eligible activities also include conducting vulnerability and adaptation analyses, and building capacity to do those analyses."[29]

The document goes on to outline criteria and provide illustrative examples for what can and cannot be eligible for *direct* adaptation funding; however, it is silent on the issue of how to account for activities that could be considered indirect (that is, the climate adaptation co-benefits that arise from integration). Extending this guidance to explicitly outline criteria for indirect climate finance

eligibility is needed, and the guidance for both direct and indirect climate finance should be made public.

The *USAID Climate Change Adaptation Plan* also notes that it is developing "programming guidance" for USAID staff that "explains the rules surrounding adaptation funding and provides guidance on how to fulfill strategic planning, project management, and reporting requirements for adaptation."

The only such guidance provided in response to the FOIA request was a six-page guide that instructs USAID staff in writing "Fast Start Paragraphs" that describe how their Feed the Future activities support climate change goals. The document outlines the criteria by which an activity could be considered an indirect adaptation activity:

1. It includes a climate change goal or objective.
2. It is informed by vulnerability assessments.
3. It includes "no regrets" strategies that have a beneficial impact whether or not the projected climate impact transpires.

Beyond this criteria, however, the guide provides no guidelines for how to determine what portion of the funding that supports the overall activity should be designated as indirect adaptation finance (the step-by-step instruction simply states "Determine what portion of the overall funding contributes to GCC [global climate change] benefits.").[30]

Whether similar guidance exists for indirect finance attribution in other sectors is unclear; in response to the FOIA request, the Feed the Future document was the only sectoral programming guidance provided.

CASE STUDY: INTEGRATION OF CLIMATE CHANGE IN FEED THE FUTURE IN SENEGAL

About 70 percent of Senegal's 13 million people are employed in the agriculture sector, the vast majority of which is rainfed agriculture.[31] The sector is already struggling with extremely variable rainfall, a pattern that is likely to be exacerbated with a changing climate. Marine fisheries, an important economic and nutritious source for the population, are also suffering from overfishing, impacts of coastal erosion, and increasingly frequent marine storms.

Undernutrition among children is moderate, but persistent, with about 16 percent of children under five suffer from stunting.[32] As climate change brings about increasing variability in rainfall, higher temperatures, and more extreme weather events, ensuring food security in Senegal is a growing challenge.

Senegal is one of 19 focus countries for the US Government's global hunger and food security initiative, Feed the Future. USAID/Senegal is working to integrate climate change considerations into its Feed the Future projects, providing a package of what they call "climate-smart services," including credit, insurance, improved seeds, and fertilizer efficiency.[33] Farmland stewardship and management practices such as "conservation farming," which optimizes fertilizer and water use, are also important aspects of Feed the Future's climate change adaptation work in Senegal. Field research carried out by Oxfam indicates that Feed the Future initiatives in Senegal are beginning to contribute to adaptive capacity of small-scale farmers in Senegal (see Box 4)

Box 4: Adaptive capacity growing among small-scale farmers in Senegal

In what ways are Feed the Future initiatives in Senegal building the capacity of small-scale farmers in Senegal? To answer this question, Oxfam carried out field research to learn about the implementation of a specific Feed the Future project in Senegal, the Agriculture and Natural Resource Management project, locally known as Wula Nafaa.

Researchers found that Feed the Future investments are contributing to building livelihood assets, particularly through sustainable land use (forest resources preservation and conservation farming), finance for adaptation (facilitating access to credit) and innovations that increase yield. Conservation farming methods, in

particular, have increased farmers' yields and sustainable land use, thereby reducing vulnerability to climate change impacts.

Progress could be made in strengthening adaptive capacity in food security programming through further focus on empowering farmers through education and information-sharing (particularly through enabling farmers to access and interpret short- and long-term weather forecasts), strengthening local institutions for programming and monitoring integrated projects, and incorporating climate change analysis and adaptation approaches in relevant national policies.

Source: Lo, Henri and Emmanuel Tumusiime. 2013. The Influence of US Development Assistance on the Adaptive Capacity to Climate Change: Insights from Senegal. Oxfam America Research Backgrounder series. Available online at http://www.oxfamamerica.org/publications/Senegal-climate-change-research.

In April 2013, Oxfam interviewed USAID/Senegal and its implementing partners to learn about their efforts to integrate climate change adaptation into their food security work. We carried out semi-structured interviews with mission staff specializing in agriculture, environment, and water, sanitation and hygiene; and with implementing partners in three Feed the Future projects.[34] Based on these interviews, the following themes emerged:

- *There is deep commitment to understanding and responding to the threats of climate change*. Among USAID/Senegal staff and implementing partners, there was clear interest in ensuring food security work is informed by and responsive to climate change trends. For implementing partners engaged in agricultural work over the long-term, this interest is grounded in their own observations of changes over time, including greater weather extremes, shifts in fisheries populations, and human migration trends. This interest is also reflected in USAID/Senegal's establishment, at their own initiative, of an internal, cross-team climate change working group that provides opportunities for networking and information-sharing among mission staff.

- *Training on integration has been limited*. While some USAID/Senegal staff members have received training on "climate-smart" agriculture, implementing partners, in particular, reported a lack of training or specific guidance from USAID on effective integration of climate risk and responses into their work. Paradoxically, some partners expressed "training fatigue" and felt that resources spent on per diems and other expenses for training implementers and project participants could achieve greater near-term adaptation results by being shifted to investment in equipment and on-the-ground activities. This contradiction in views suggests greater communication is needed between USAID Washington,

mission, and implementing partners to identify workable strategies and methods for supporting effective and efficient integration.

USAID/Senegal staff and implementing partners see adaptation as more than simply deploying better seed varieties, for example, and recognized a need for advanced planning, preparation, and coordination that takes into account both the physical and social impacts of changing climate.

- *There is no uniform understanding of what constitutes adaptation.* Among USAID/Senegal staff and partners, there was a lack of clarity on aspects of their work that could be identified specifically as adaptation. Many noted that best practices in food security work have long been focused on better equipping smallholder farmers to successfully navigate conditions of weather uncertainty; some expressed frustration with an additional layer of bureaucratic and reporting requirements that the integration of climate change requires. However, USAID/Senegal staff and implementing partners see adaptation as more than simply deploying better seed varieties, for example, and recognized a need for advanced planning, preparation, and coordination that takes into account both the physical and social impacts of changing climate. The lack of a climate change vulnerability assessment—at a national scale and project level—has impeded this kind of adaptation planning.[35] Clear guidance for assessing and responding to the findings of such an assessment could help to build common understanding of activities that can be identified as adaptation.

- *There is a lack of clarity on how to identify and track the extent of climate finance for integration*. USAID/Senegal staff indicated that assessment of climate change adaptation within Feed the Future projects should be done throughout the project cycle, with specificity outlined in the operating plans and annual performance reports. However, there is confusion over who makes decisions about the portion of food security funds that are indirectly attributed to climate and how those decisions are made. For some, indirect adaptation funding is for costs that are above and beyond what is considered best practice; others simply indicated that the indirect funding allocation is a “best guess” determined by those working most closely on the details of a given project. Among implementing partners, there was a lack of familiarity with the direct/indirect distinction, and they had received no guidance from USAID on tracking investments or expenses associated with climate change adaptation.

CONCLUSIONS AND RECOMMENDATIONS

In addition to direct investments to support climate change adaptation through its Global Climate Change Initiative, USAID has committed to integrating climate change considerations across its development portfolio. The Agency has made progress in developing tools and providing guidance for assessing climate change risk and building adaptive capacity among vulnerable populations, particularly in its food security work.

Further resources are needed, however, to fully and effectively support climate change integration, and to accurately account for those investments in its financial reporting toward the US commitment to support climate change activities in developing countries. In the area of indirect climate finance, in particular, the US Government is not living up to its commitment for transparency in reporting climate change investments and results. USAID's climate change integration could be strengthened in the following ways:

Develop clear, uniformly-applied methods for accounting and reporting indirect adaptation finance. Despite reporting that more than half of the US Fast Start Finance commitment currently arises from integration, USAID has not released information indicating how missions and implementing partners identify and measure climate co-benefits. USAID should develop and release guidance for tracking indirect climate adaptation finance, including identifying the budgetary source of such finance (account, program, mission, initiative, etc.). USAID should make public the application of that guidance, including a clear enumeration of projects or programs whose funding is reported as indirect climate finance. Such action would demonstrate the agency's commitment to transparency in its climate change programming and to reporting its investments and results. In turn, consistent and rigorous application of credible accounting systems will support missions and implementing partners in the process of integration and bolster US credibility in the context of international climate agreements.

Develop and apply sector-specific implementation guidance for integration. To date, USAID has developed limited specific guidance to assist missions and implementing partners in the integration of climate change adaptation into their work. USAID's *Climate Change Adaptation Plan* outlines the development of more detailed guidance and training opportunities targeted toward multiple sectors, and such guidance and training is long overdue.[36] Some of the existing guidance, such as the *Adapting to Coastal Climate Change* guidebook, provides an example of sector-specific guidance that could be useful across USAID's development portfolio. Guidance that is responsive to needs and concerns identified by mission staff and their

partners—particularly their need to minimize further bureaucratic burdens—will be a welcome development to support further effective and measurable integration efforts in multiple sectors.

Provide incentives for mission staff to pro-actively identify opportunities for integrating climate change adaptation. Mission staff already feel overburdened by paperwork and reporting requirements, and additional requirements may discourage staff from integrating climate adaptation and its measurement into their existing programs. USAID should establish and clearly communicate ways it will overcome this additional burden. Incentives could include making funding available specifically for projects to cover costs of additional reporting, providing a pool of technical experts to assist staff in integration efforts, or other means.

Increase prioritization and resources for climate change vulnerability assessment across sectors. For development initiatives to deliver real and measurable climate change adaptation co-benefits, analyses of climate change vulnerability are critical. As required in USAID guidance for direct adaptation assistance, development initiatives that include indirect adaptation elements should also incorporate specific adaptation objectives and measurable indicators that are based on vulnerability assessments. Including a mandate for activities that respond to vulnerability assessments in Scopes of Work, Terms of Reference, and Requests for Proposals/Agreements could help to ensure that effective adaptation elements are integrated into sector-specific projects.

Increase sharing of lessons learned. As the integration pilot projects move forward, high priority should be placed on sharing lessons learned, particularly in sectors, such as health, for which USAID has produced little to no guidance and support to date. In addition to learning derived from the integration pilots, missions and implementing partners could be encouraged to document and share experiences in reducing vulnerability and strengthening adaptive capacity from previous activities—particularly in the agriculture sector—that may not have been specifically labeled as adaptation.

NOTES

Except where otherwise indicated, all web sites were last consulted in October 2013.

[1]The USAID Climate Change Adaptation Policy Statement is contained in Appendix I of the 2012 USAID Climate Change Adaptation Plan, available at http://www.usaid.gov/sites/default/files/documents/1865/Agency%20Climate%20Change%20Adaptation%20Plan%202012.pdf

[2] Executive Office of the President. June 2013. *The President's Climate Action Plan.* Available online at http://www.whitehouse.gov/sites/default/files/image/president27sclimateactionplan.pdf

[3] The USAID Climate Change Adaptation Policy Statement is contained in Appendix I of the 2012 USAID Climate Change Adaptation Plan, available at http://www.usaid.gov/sites/default/files/documents/1865/Agency%20Climate%20Change%20Adaptation%20Plan%202012.pdf

[4] US Department of State (2012) *Meeting the Fast Start Commitment: US Climate Finance in Fiscal Years 2010-2012 Executive Summary.* Available at http://www.state.gov/documents/organization/201144.pdf

[5] Based on calculations from the Foreign Assistance Dashboard (see http://foreignassistance.gov/Initiative_GCC_2012.aspx?FY=2012) and annual Congressional Budget Justifications.

[6] US Department of State (2012) *Meeting the Fast Start Commitment: US Climate Finance in Fiscal Years 2010-2012 Executive Summary.* Available at http://www.state.gov/documents/organization/201144.pdf

[7] US Government Accountability Office (2013) *Climate Change: State Should Further Improve Its Reporting on Financial Support to Developing Countries to Meet Future Requirements and Guidelines.* GAO-13-829. Available at http://www.gao.gov/products/GAO-13-829

[8] The US has not made a specific individual commitment for climate finance.

[9] US Agency for International Development (USAID) (2012) *Climate Change and Development: Clean Resilient Growth.* Washington, DC: USAID. Available at http://transition.usaid.gov/our_work/policy_planning_and_learning/documents/GCCS.pdf

[10] Others include inclusive agricultural sector growth, gender integration, improved nutrition, private sector engagement, and research and capacity building. See http://feedthefuture.gov/approach/Inclusive--Agriculture--Sector--Growth

[11] USAID (2012) *Climate Change and Food Security*. Feed the Future fact sheet available at http://feedthefuture.gov/sites/default/files/resource/files/ftf_climate_factsheet_032012.pdf

[12] USAID (ND) *Feed the Future M&E Guidance Series Volume 7: Measuring Natural Resource Management and Climate Change Adaptability Under Feed the Future.* Available at http://feedthefuture.gov/sites/default/files/resource/files/Volume7_FTFNRM.pdf

[13] USAID (2012) *Biodiversity Conservation and Forestry Programs: 2012 Report.* Page 1. Available at http://www.usaid.gov/sites/default/files/documents/1865/2012_Bio_Conservation_Forestry_Programs_508.pdf

[14] USAID (2013) *Sustainable Fisheries and Responsible Aquaculture: A Guide for USAID Staff and Partners.* Available at http://www.usaid.gov/sites/default/files/documents/1865/FishAquaGuide14Jun13Final.pdf

[15] USAID (2013) *DRAFT: USAID Biodiversity Strategy.* Available at http://www.usaid.gov/sites/default/files/documents/1865/USAID-Biodiversity-Policy-Draft-6-7-13.pdf

[16] USAID (2013) *USAID Water and Development Strategy 2013-2018.* Available at http://www.usaid.gov/sites/default/files/documents/1865/USAID_Water_Strategy_3.pdf
[17] Ibid. Page 3.
[18] Ibid. Page 10.
[19] Ibid. Page 21.
[20] USAID (2009) *Adapting to Coastal Climate Change: A Guidebook for Development Planners.* Available at http://www.crc.uri.edu/download/CoastalAdaptationGuide.pdf
[21] USAID (ND) "USAID Climate Change and Development Strategy Overview." Available at http://transition.usaid.gov/our_work/environment/climate/docs/GCC_Strategy_One-Pager.pdf
[22] USAID (2007) *Adapting to Climate Variability and Change: A Guidance Manual for Development Planning*. Available at http://pdf.usaid.gov/pdf_docs/PNADJ990.pdf
[23] USAID (2013) *Addressing Climate Change Impacts on Infrastructure: Preparing for Change.*
[24] USAID (2009) *Adapting to Coastal Climate Change: A Guidebook for Development Planners.* Available at http://www.crc.uri.edu/download/CoastalAdaptationGuide.pdf
[25] USAID (2012) *USAID Climate Change Adaptation Plan.* Available at http://www.usaid.gov/sustainability/climate-change-adaptation-plan
[26] USAID (2011) Feed the Future Promotes Climate-Smart Agriculture through CAADP Workshop. Blog post. Available at http://feedthefuture.gov/article/feed-future-promotes-climate-smart-agriculture-through-caadp-workshop
[27] Presentations and other resources from the GLEE are available at http://agrilinks.org/library/nrm-and-climate-change-global-learning-and-evidence-exchange-glee-event-resources
[28] In September 2012, Oxfam America joined several other NGOs in submitting a Freedom of Information Act request to USAID for guidance documents that contain criteria for determining whether activities deliver climate co-benefits and are therefore counted as indirect climate finance. As of September 2013, portions of the request that had been forwarded to the State Department are still unanswered.
[29] USAID (2010) *FY2010 Operational Plan Guidance.*
[30] USAID (2011) *Guidance for Indirect Attribution to FtF Activities to GCC.*
[31] M. Khouma *et al.* (2013) 'Senegal', in A. Jalloh *et al*. (eds.) *West African Agriculture and Climate Change: A Comprehensive Analysis.* Washington, DC: International Food Policy Research Institute.
[32] USAID (2011) *Feed the Future: Senegal Fact Sheet.* Available at http://feedthefuture.gov/sites/default/files/country/strategies/files/SenegalFeedtheFutureFactSheet%20_2011-11-14_FINAL.pdf
[33] O. Ly, USAID Senegal Environment Specialist (2013) Correspondence with the author.
[34] COMFISH, Wula Nafaa, and the Economic Growth Project (PCE)
[35] USAID/Senegal indicated that USAID had initiated a climate change vulnerability assessment of the agriculture sector in Senegal, which was due to be completed in June 2013.
[36] USAID (2012) *USAID Climate Change Adaptation Plan*. Available at http://www.usaid.gov/sites/default/files/documents/1865/Agency%20Climate%20Change%20Adaptation%20Plan%202012.pdf

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