

The AfDB's Climate Safeguards System (CSS)

Building Resilience into Africa's Infrastructure Investments

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Presentation Outline

- How does the CSS align with the AfDB's Ten Year Strategy (TYS)?
- What are the rationales behind the development of the CSS?
- How does the CSS work (modules, processes, outputs)?
- What is the value of the CSS for scaling up climateresilient infrastructure investments (CRI) in Africa?
- How is AfDB using the CSS to build capacity for climate-resilient infrastructure in Africa?
- Conclusion and way forward





The AfDB Strategy 2013-2022

Two objectives to support transformation

Three areas of special emphasis



resources

Five core operational priorities

Infrastructure development Regional integration Private sector development Governance Skills & technology

A continuum & regional Fragile approach **States** Agriculture Supporting & Food value chains Security Economic empowerment, legal & Gender property rights

How is the CSS pivotal to the Bank's core objective on green growth? AfDB Strategy for 2013-2022



from the flooding in Malawi Jan 2015



What are other rationales

behind the CSS?

- The CSS is part of the implementation of the Bank's Climate Risk Management and Adaptation (CRMA) strategy adopted in 2009 and the Bank's Climate Change Action Plan 2011-2015
- An assessment made in 2009 showed that out of 206 Bank's approved projects since 2007, 66 (32%) were vulnerable to climate change
- Mean approved amount for all Least Developed Countries Fund (LDCF) activities in Africa = US\$3.52 (std dev 2.68; N=119). Just about half of the mean approved amount of US\$8.32 (std dev 0.97; N=3) for activities targeting infrastructure. Mean approval amount for adaptation finance for all climate funds is US\$3.84 million (std dev. 4.82; N=230) compared to US\$16.93 million (std dev. 53.21; N=132) for mitigation. This indicates predominance of small scale adaptation projects in Africa. CSS-Climate-resilient infrastructure = adaptation finance at scale
- As a response, the CSS was designed as a set of decision-making tools and guides for screening projects for climate change related risks and identification of adaptation measures. CSS will also contribute to improving access of RMCs to adaptation finance.



What are the modules of the CSS?

CSS comprises <u>4 modules</u>:



- Climate Screening: Assess project vulnerability and assign a category
- Adaptation Review and Evaluation Procedures (AREP): Identify adaptation activities into project proposals
- Country Adaptation Factsheets (CAFSs): Mainstream climate change at strategic level
- Knowledge Base: Link to relevant climate data and information



What is the value of the CSS for scaling

up CRI investments in Africa?



CSS is a TOOL for exploring ADDITIONAL FINANCE to improve the resilience of Infrastructure projects to CLIMATE RISK

How is AfDB using the CSS to build capacity for CRI in Africa?

- AfDB is applying the SCC to creen all Bank infrastructure related investments in the energy, transport, agriculture, water and sanitation in Africa.
- Pre-deployment training of Bank staff (including field office staff) in April and May, 2014; Training of Trainers (ToT) in December 2014.
- Follow-up training of Bank staff and RMCs from June to August, 2015 in Pretoria (Southern), Gabon (Central, Tunis and Western Francophones) Kenya (Eastern, Egypt and Western Anglophones).
- Implementation of readiness and capacity development programs for climate-resilient infrastructure focusing on Dakar Agenda for Action/PIDA priority projects in collaboration with other members within the Infrastructure Consortium for Africa (ICA).

Conclusion and way forward?

- The need for climate-proofing infrastructure projects in Africa is critical to reduce investment risks, climate-related health and mortality issues and to promote green growth in Africa.
- AfdB has taken the leadership initiative consistent with its TYS and has developed the CSS for climate-proofing infrastructure projects in Africa;
- The CSS is a TOOL for climate-proofing infrastructure projects and identifying QPEs to pursue adaptation finance for climateresilient infrastructure- Improving access of RMCs to adaptation finance.
- □ AfDB is focusing on enhancing readiness and capacity for climate-resilient infrastructure in Africa.
- Will communicate future practical demonstrations, training sessions and knowledge sharing activities to interested ACRIS
 participants.

THANK YOU

