

# CLIMATE CHANGE HOW-TO GUIDE

## Project and Activity Design for Climate Change Adaptation Funding

This guide aims to help program and technical officers with focused Adaptation funding, whether you are designing projects solely with Adaptation funding or combining Adaptation funding with other sources of funding. It supplements USAID ADS Chapter 201.



A series of CLIMATE CHANGE HOW-TO GUIDES will be published 2014-2015

1. [Incorporating Global Climate Change in the Country Development Cooperation Strategy \(CDCS\)](#)
2. **Project and Activity Design for Climate Change Adaptation Funding**
3. Project and Activity Design for Climate Change Mitigation Funding: Sustainable Landscapes, Clean Energy and Low Emissions Development Strategies
4. Integrating Global Climate Change into Development
5. Performance Monitoring and Evaluation of Climate Change Benefits

Note: If you do not have Adaptation funding but would like to integrate climate change adaptation considerations into your programming, as required in Executive Order 13677, you may want to read the *Integrating Climate Change How-To Guide* before perusing this Adaptation How-To Guide for additional information.

USAID's 2014 publication [Climate Resilient Development: A Framework to Understanding and Addressing Climate Change](#) provides additional useful details for USAID staff, implementers and others on planning and implementing adaptation actions.

This Guide is produced by USAID's Office of Global Climate Change.

## CONTENTS *(click title to jump to that section)*

What is Adaptation? How Can USAID Adaptation (AD) Funds Be Used? .....	3
Adaptation Contributes to Development.....	3
Use of Focused AD Funds .....	3
Integrating AD Funding with Other Funding Streams .....	5
Results Framework for Adaptation .....	7
Guidance for Designing a USAID Adaptation Project or Activity .....	8
Checklist .....	8
Defining the Problem .....	9
Reviewing Available Knowledge.....	9
Consultations with Stakeholders.....	10
Climate Information .....	10
Vulnerability Assessments.....	10
Synthesis/Prioritization of Interventions .....	11
Definitions .....	12
Including Adaptation in the Project’s or Activity’s Logical Framework.....	12
Formulating an Adaptation Objective .....	14
Other Analyses for the Project Appraisal Document (PAD).....	16
Procurement of AD Mechanisms .....	17
Monitoring and Reporting on AD Projects and Activities .....	17
Evaluating AD Projects .....	17
Annex 1: Sources of Adaptation Information .....	19

## WHAT IS ADAPTATION? HOW CAN USAID ADAPTATION (AD) FUNDS BE USED?

### ADAPTATION CONTRIBUTES TO DEVELOPMENT

The Global Climate Change Initiative (GCCI), a Presidential Initiative announced by President Obama in 2010, recognizes that climate change is likely to have a strong impact on development in the coming decades. USAID's partner countries are already experiencing the adverse impacts of climate variability and change, from more severe droughts to rising sea levels. These stresses threaten the achievement of development goals. It is critical to understand and address climate change impacts and vulnerabilities when we design and implement our country and regional development plans, programs and projects. This will enable us to safeguard our investments and ensure that we can continue to help countries and communities achieve their development objectives by providing enduring benefits, even in the context of a changing climate.

USAID Adaptation (AD) funding provides an important opportunity to help address these needs, and build adaptation considerations into

Climate variability and change can significantly affect key USAID program areas, such as agriculture, health, water, key economic sectors such as tourism, and infrastructure. For example:

- Warming ocean temperatures and ocean acidification are damaging reefs and fisheries.
- Sea level rise and storm surge are threatening to contaminate groundwater, increase erosion and damage coastal settlements and infrastructure.
- More variable rainfall, more severe droughts and rising temperatures can undercut crop yields and nutritional gains.
- Increased flooding and saltwater intrusion can decrease access to clean water and contribute to increased outbreaks of water-borne diseases.

development projects in a range of sectors<sup>1</sup> and themes. For example, by improving access to better-quality, user-friendly climate information in vulnerable countries, we can help people make better decisions that will protect their lives and livelihoods as the climate changes. By building local capacity for the participatory development and implementation of adaptation policies, we can help ensure that adaptation actions get traction and are sustained. And by demonstrating and sharing effective adaptation measures on the ground – such as more resilient engineering, improved agricultural practices, updated land use planning and a wide range of other interventions – we can catalyze further action by individuals, governments and other donors. These are only a few examples of the type of climate-related activities you may want to support.

### USE OF FOCUSED AD FUNDS

USAID AD funding must<sup>2</sup> have an explicit, primary goal of increasing the resilience of people, places and livelihoods to climate change.

#### FOCUSED VS. INDIRECT

Adaptation (AD) funds may be referred to as “**focused**,” or “**direct**,” Adaptation funds. When non-AD funds are used for programs that have adaptation outcomes, they are referred to as “**indirect**” AD funds because they have an “indirect” AD attribution. We encourage this kind of integration, because addressing climate change stressors even without AD funds helps ensure the success of development programs. We keep track of these “indirect” funds in annual reporting in the Foreign Assistance and Coordination Tracking System (FACTS), and ask you to use a Global Climate Change standard indicator for these programs (see the section on [Monitoring and Reporting on AD Projects and Activities](#) for more information). Examples of focused and indirect adaptation activities can be found this year's consolidated [Operating Plan guidance for GCC](#).

<sup>1</sup> In this document, “sectors” may refer to economic sectors or to other areas of development such as “disaster risk reduction.”

<sup>2</sup> FY14 Operating Plan (OP) guidance. Please consult the current year's consolidated [Operating Plan guidance for GCC](#) as requirements may change annually.

## HELP IS AVAILABLE

Staff with global climate change expertise are available to help you design and implement adaptation projects; see a full list and contact them through the [GCC intranet](#). In addition, the [GCC intranet](#) provides links to guidance documents and resources that may be useful to you, including training that can help you build your climate change expertise.

Still have questions? Send an email to [climatechange@usaid.gov](mailto:climatechange@usaid.gov).

Thus, projects and activities that use AD funds should take actions or pursue alternatives that are different than what you would have done if you had not considered climate variability and change.

AD funds should only be used when the following three criteria can be met:

- There is a strong analytical base pointing to critical climate vulnerabilities in a sector or sectors, or geographic area;
- The identified sector or sectors are important to development objectives;
- There are gaps in the work done by other donors and partners in addressing these climate vulnerabilities, or opportunities to complement their efforts.

Three types of interventions are suitable for AD funding. These key results are also highlighted in the [Agency Adaptation Pillar Results Framework](#):

1. Improve access to science and analysis for decision-making: Science and analysis to inform decision-making in topics sensitive to climate change; this may include context-specific vulnerability assessments and impact modeling, and the generation, analysis and sharing of information on different timescales.
2. Establish effective governance for climate resilience: Capacity building and policy harmonization for effective governmental coordination, planning and response, as well as improved public communications, education and participation in climate policy and action.
3. Identify and take actions that increase climate resilience: Implementing, testing, evaluating and disseminating effective adaptation methods and systems to address climate-related risks, as well

as demonstrating effective options for replication or scaling.

Considering which types of interventions will produce the best adaptation outcomes will help ensure that the adaptation project or activity is not only eligible for AD funds but will also produce optimal results. At the same time, capacity-building should not be conducted for its own sake – it must be tied to achieving concrete adaptation results.

Using non-AD funds to carry out interventions in these areas is also strongly encouraged. In fact, an Executive Order issued in November 2014 “requires the integration of climate-resilience considerations into all United States international development.” Considering and addressing climate

### **EO 13677: Climate-Resilient International Development**

Agencies shall assess and evaluate “climate-related risks to and vulnerabilities in agency strategies, planning, programs, projects, investments, overseas facilities, and related funding decisions” and make adjustments accordingly.

### **Secretary Kerry’s Policy Guidance Cable, March 2014**

“Regardless of whether or not posts receive direct GCCI funding, posts are encouraged to integrate climate change across all programming.”

### **Administrator Shah’s Letter to Mission Directors, May 2010**

“Even if your mission will not receive dedicated...climate funds, I ask that you consider how climate will impact your work in such areas as food security, water and health, and where co-benefits may exist.”

risks are good practices and can improve outcomes in any development program, whether or not AD funds are available. More guidance on how to integrate climate change considerations is found in the *How-To Guide: Integrating Global Climate Change into Development*.

Often AD funds are limited. That means that if AD funds are being used for activities within category 3, you may need to combine AD funds with other funds so your project can have impact at scale. If you are designing a demonstration project, remember that evaluation will be an important aspect of that project. Demonstration projects should only be undertaken if the interventions are designed with a clear, reliable path to catalyze scale-up of effective adaptation measures by other donors or using other USAID funding streams.

Note that the criteria for AD interventions and reporting requirements may change annually. Please consult the current year's consolidated [Operating Plan guidance for GCC](#) and [PPR Guidance](#) prior to project design and annual work planning.

## INTEGRATING AD FUNDING WITH OTHER FUNDING STREAMS

In practice, AD funding is often combined with other funding streams. This is a common practice that can be very effective in improving the climate resilience of projects and activities while stretching funds. However, there may be very different criteria for the use of AD funds and those of other Agency Initiatives or earmarks. Missions should consult with the climate change specialists in the regional bureaus or in the E3/GCC office to ensure that the multiple goals of an integrated project can be realized while achieving the intended outcomes associated with the funds.

Integrated programming allows other funds to be used to address non-climate stressors on development (such as rapid population growth or unsustainable resource use), while reserving the AD funds to address the climate stressors for which they are intended.

At the same time, missions must be strategic in integrating AD funding, keeping an eye toward

## AD FUNDS SHOULD NOT BE USED TO ADDRESS NON-CLIMATE STRESSORS

In some cases, AD funds should not be used. For example, a coastal project concerned about the impacts of overfishing would need to use other funds, such as biodiversity funding, not AD funds. This is because the development problem is not climate related; overfishing is a non-climate stress.

On the other hand, if the critical threats on fisheries are climate-related, like ocean acidification and warming, it may be appropriate to use AD funds to help communities understand those threats and prioritize adaptation measures to address them (e.g., through diversification into less climate-sensitive livelihoods, or promoting coral reef rehabilitation with more heat-resistant species). Also, if coastal communities are threatened by increasing storm surge due to climate change, AD funds could be used in a project to develop early warning systems.

achieving results. Funding selectivity is a strategy toward this end: missions should avoid spreading Adaptation resources thinly across numerous projects so as not to diminish their overall impact. Mission use of AD funding must always be able to stand up to external scrutiny that seeks to determine if demonstrable adaptation results have and will derive from the AD funding used.

As mentioned previously, non-AD funds may be more plentiful for some sectors and themes, and should be used to integrate climate change adaptation considerations where possible in order to strengthen the resilience of the project and its beneficiaries, and ensure that investments are sustainable and meet their goals. For example, a large Feed the Future (FTF)-funded project should seek to use FTF resources to implement identified adaptation measures such as the widespread distribution of drought-resistant seeds or the adoption of agroforestry practices to reduce erosion. If AD funds are available, they could be

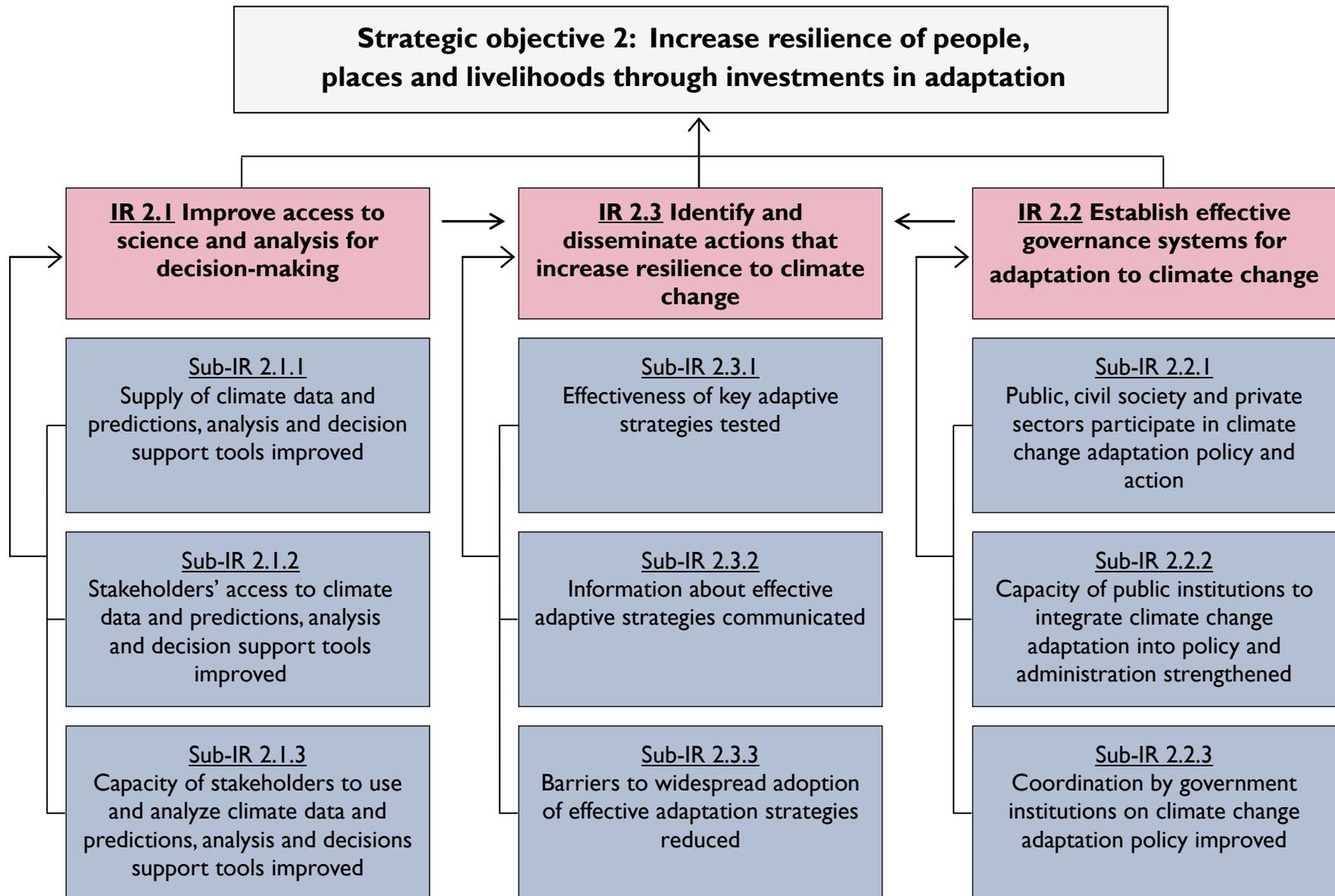
used to demonstrate those interventions in the early stages of the project, or to do complementary work such as developing and disseminating climate change data and seasonal forecasts. Similarly, AD funds could be used to complement water, sanitation and hygiene (WASH) funds, contributing to an objective of increased water supply – in the context of increasing water scarcity due to climate change. AD funds could be used to strategically support complementary interventions that may not be eligible for WASH funding, such as improving upstream watershed management and providing water utility managers with climate information to inform their decision-making. (Note that these are just examples – in some cases these interventions MAY be eligible for FTF or WASH funds, and WASH activities MAY be eligible for AD funds.)

Please see the [Annex: Sources of Adaptation Information](#) for more information on how to identify expected climate impacts. In cases where this information is not available, AD funding can also be used for climate vulnerability assessments and other relevant analyses.

**USAID’s [Climate Change and Development Strategy \(CC&D\)](#)** emphasizes the importance of integrating climate change considerations into all relevant areas of USAID programming. Even if you do not have AD funding, you should explore opportunities to build the climate resilience of your program through adaptation. Please see the *How-To Guide on Integrating Climate Change into Development* for more information.

## RESULTS FRAMEWORK FOR ADAPTATION

Adaptation projects and activities should be consistent with the following Adaptation Results Framework, which describes USAID’s strategic approach to Adaptation. The [Adaptation Results Framework and its accompanying narrative](#) can help you think through the types of interventions that can contribute to the adaptation objective and how those interventions might be evaluated.



## GUIDANCE FOR DESIGNING A USAID ADAPTATION PROJECT OR ACTIVITY

This section aligns with the Project Design Process as laid out in [ADS 201.3.9](#), but focuses on adaptation-specific considerations that should guide the development of projects with focused AD funding. Some of these elements are also relevant for projects that integrate climate adaptation considerations – especially those that use other

funds but have an “indirect” Adaptation attribution.

### CHECKLIST

This How-To Guide walks you through the process of designing an adaptation project and procuring the mechanisms to implement it. Using the handy checklist below will help ensure that you have gone through the most important steps.

*Click on the steps below to jump to the relevant section.*

REVIEW AVAILABLE KNOWLEDGE AND DEFINE THE PROBLEM	
	<a href="#">Identify key development priorities, particularly those that are climate sensitive</a>
	<a href="#">Review existing climate change policies, plans, initiatives and vulnerability assessments</a>
	<a href="#">Consult with local stakeholders about climate risks and development priorities</a>
	<a href="#">Take stock of climate change information (historical data and future projections)</a>
	<a href="#">If no existing vulnerability assessment available or adequate, conduct or improve one</a>
DEFINE GOAL AND PRIORITIZE INTERVENTIONS	
	<a href="#">Define an adaptation objective that explicitly reduces the impact of climate change stressors</a>
	<a href="#">Review evidence on effective adaptation measures; look for opportunities to work with local organizations, build partnerships, and leverage science and technology</a>
	<a href="#">Work with stakeholders to choose priority adaptation interventions</a>
SYNTHESIZE APPROACH IN PROJECT DESIGN AND PROCUREMENT DOCUMENTS	
	<a href="#">Incorporate the adaptation objective in your logical framework and theory of change</a>
	<a href="#">Identify and assess potential monitoring and evaluation questions/approaches</a>
	<a href="#">Select adaptation indicators (including the mandatory standard indicator)</a>
	<a href="#">Develop adaptation specifications for technical assistance and technical approach in procurement documents.</a>

## DEFINING THE PROBLEM

Adaptation efforts should support the achievement of national development priorities in the context of a changing climate. They should build on relevant existing strategies, plans, programs and projects and stakeholder consultations.



Overlaying vulnerability assessments and development priorities will help you identify priority programming areas, where the ability to achieve development objectives is most threatened by climate change. In addition, you should consider which of those problems is the most manageable, given resource constraints and other contextual factors.

The key development objectives (e.g., food security or improved human health) can be drawn from the Country Development Cooperation Strategy (CDCS) or Regional Development Cooperation Strategy (RDCS), and the relevant portions of the host country's existing national development framework, as well as stakeholder consultations. USAID's 2014 publication *Climate Resilient Development: A Guide to Understanding and Addressing Climate Change* lays out a process for identifying and addressing the ways in which climate change can threaten the achievement of those objectives.

Consideration of adaptation should begin with:

- [Vulnerability assessments](#) that provide evidence indicating where the greatest climate risks lie; and
- An understanding of development priorities, including priority economic sectors.

Non-climate stressors such as rapid population growth, pollution, conflict or corruption should also be considered during the vulnerability assessment phase. Awareness of all stressors is critical to project design and to achieving the desired outcomes. If non-climate stressors overwhelm the climate stressors, they should be addressed using other funding streams. Where climate is not a significant factor, no adaptation-related work will be needed.

Both short-term and long-term climate impacts should be taken into account. In many cases, expected climate impacts may be true game-changers and minor adaptive adjustments will be insufficient; in this case, adaptation will require major shifts in development planning, especially over the long-term.

Note that the [CC&D Strategy](#) identifies some priority climate change impacts (e.g., glacial melt) that are expected to inform the programming of relevant missions receiving focused AD funding.

## REVIEWING AVAILABLE KNOWLEDGE

Government officials responsible for the implementation of national climate change strategies and plans may be a useful contact as you look for relevant information and seek to coordinate with government bodies and other stakeholders engaged in adaptation efforts. If you do not know the right people to contact, the United Nations Framework Convention on Climate Change (UNFCCC) National Focal Point<sup>3</sup> may be able to point you in the right direction. In-country donor roundtables for environmental or climate change-related interventions can highlight potential areas of complementarity or gaps that

<sup>3</sup> Each country that is a Party to the UNFCCC is required to have a National Focal Point who is usually a person sitting in a relevant national office or ministry (environment, meteorology, etc.). To find your country's National Focal Point, see the [UNFCCC site](#).

strategic programming can address. It is also important to review emerging evidence about effective adaptation practices.

Please see the [Annex: Sources of Adaptation Information](#) for information on climate impacts, national adaptation priorities and existing adaptation efforts.

## CONSULTATIONS WITH STAKEHOLDERS

As with any project, it will be useful to consult with and encourage the involvement of key stakeholders. Who you involve will depend on the particular sectoral or geographic focus of the project. Because adaptation is a cross-cutting issue, some stakeholders you might not normally think of could be very valuable in informing adaptation projects. For example, you should not only reach out to the environment ministry, but also relevant technical ministries (e.g., ministry of agriculture, ministry of tourism, ministry of the environment, ministry of energy) and higher-level, cross-cutting offices and ministries like the office of the president/prime minister, or a ministry of finance or planning. The meteorological department could be valuable as a provider of weather and climate data. Vulnerable populations would also be important.

Coordinating with other donors involved in adaptation – as well as with host government programs and other USAID projects operated out of Washington or regional Missions – will be important to maximize synergies and avoid redundancies.<sup>4</sup>

## CLIMATE INFORMATION

Projects and activities that contribute to climate change adaptation should be informed by climate change information. Both historical data and future projections (e.g. information about temperature, precipitation and extreme events) provide you with valuable information about the specific climate

impacts that are expected to occur in the geographic location of your project. You should consider the timeframe over which your beneficiaries will be making decisions and the intended lifetime of your project's investments, and seek climate information and projections that correspond to those timeframes. [Annex I](#) provides links to valuable resources that can provide you with more information on climate scenarios in your country.

Remember that climate information consists of both future projections and historical records. If you cannot find adequate climate information by using the resources listed in Annex I, you may be able to get some climate information by consulting stakeholders. In addition to meteorological services, private industries sometimes collect their own weather data. You may also want to consider conducting a vulnerability assessment.

## VULNERABILITY ASSESSMENTS

All USAID projects using focused AD funds *must*<sup>5</sup> be informed by vulnerability assessments. USAID staff may build on an existing vulnerability assessment conducted by another institution if there is a recent one that covers the sector/theme or geographic area of interest. If not, they are expected to conduct a vulnerability assessment to inform their programming.

Climate-sensitive projects that are not using focused AD funds are still encouraged to conduct a “Climate Change Vulnerability Analysis” ([ADS 201.3.15.3i](#)).

Vulnerability Assessment – A vulnerability assessment can help you decide where to target your project by comparing the relative vulnerability of different places or sectors/themes. It can also help you understand *why* a place or sector/theme is vulnerable and, thus, inform the design of project interventions so that they can alleviate the identified vulnerabilities. A vulnerability assessment can be carried out at a local, national or regional level, depending on the anticipated scope of your

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<sup>4</sup> Some of the donors currently most involved in supporting adaptation activities include the [World Bank's Pilot Program on Climate Resilience](#) (PPCR), [UNDP](#), [GEF](#), AusAID, the [EU's Global Climate Change Alliance](#), GIZ, and DFID.

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<sup>5</sup> FY14 Operating Plan (OP) guidance. Please consult this year's consolidated [Operating Plan guidance for GCC](#) as requirements may change annually.

**Vulnerability** is a function of a system's exposure, sensitivity and adaptive capacity.

**Exposure** is the extent to which something is subject to a climate stressor. For example, farming is exposed to wind, temperature extremes, drought and heavy rain, but growing flowers or produce in a greenhouse reduces that exposure.

**Sensitivity** is the extent to which something may be affected if it is exposed to a climate stressor. Farming is sensitive to climate change, but some crops are more sensitive than others. Choosing a crop with a wide temperature or drought tolerance reduces sensitivity.

**Adaptive capacity** is the ability to anticipate climate stressors, adjust to potential damage, take advantage of opportunities or cope with the consequences of climate impacts. For example, farmers with access to credit and seasonal weather forecasts have higher adaptive capacity.

project, and can include physical science, economic and/or sociopolitical data. It should be rigorous and based on high-quality data, and clearly communicate uncertainties. A vulnerability assessment looks at exposure, sensitivity and adaptive capacity to provide actionable information for adaptation (see text box with definitions).

Including local stakeholders in the vulnerability assessment through participatory approaches is good practice. Considering the multiple potential uses of a vulnerability assessment early on is important, especially for larger, more costly vulnerability assessments. The costs associated with vulnerability assessments can vary widely. Carefully consider how much should be spent on the vulnerability assessment in comparison to other project activities. You may also use existing vulnerability assessments that have been prepared by others, if appropriate; in that case, consider any needs to update the information in that assessment or vet the recommendations with additional local stakeholders.

In addition to vulnerability assessments conducted by other institutions, National Adaptation Programs of Action (NAPAs), National Communications to the UNFCCC, and Pilot Program for Climate Resilience (PPCR) documents can also serve as useful references. However, USAID staff are encouraged to vet the findings of existing assessments with stakeholders and conduct targeted research or meetings to fill any gaps that are relevant for the new project design. Please see the [Annex on Sources of Adaptation Information](#) for links to these and other documents. In addition, sample USAID vulnerability assessments are available [here](#).

For a more in-depth discussion, see the *Climate Change Vulnerability Assessment: An Annex to the USAID Climate-Resilient Development Framework* to be published in 2015.

## SYNTHESIS/PRIORITIZATION OF INTERVENTIONS

In looking at possible solutions to the vulnerabilities you have identified, you will encounter many more adaptation needs and options than you can possibly take on.

Priorities should be based on consideration of what has the potential to achieve the most significant results.

- Is there an opportunity to invest in improving the enabling environment, such as through reforming policies and improving host country capacity?
- Is there an opportunity to engage in national development planning or national adaptation planning processes, to help ensure that USAID's targeted sectors/themes consider how climate change could affect the achievement of their goals?

Projects that do not have those opportunities to facilitate high-level systemic change – perhaps because the country already has strong adaptation policies and governance at the national level, or because there is a concern that those policies and plans will not be implemented – may instead seek to catalyze policy, institutional or behavioral

changes with a widespread impact. They may also look at opportunities for systemic impact at the regional, city or watershed levels.

Adaptation actions could include policy or regulatory measures, capacity building, research or information dissemination or improvements to resource management practices or service delivery. A combination of these types of actions is often most effective. In looking at these options, consider standard criteria that might be applied to any development project, such as effectiveness, affordability/cost-effectiveness, feasibility, equity, acceptability to stakeholders, existence of a clear plan for scale-up and eligibility for available funding streams. In addition, the following adaptation-specific considerations can help you to screen and prioritize a list of adaptation options further:

- How urgent is the problem? Decide where to take immediate action and which issues you will simply monitor. Which adaptation options can be implemented within the desired timeframe?
- Will the option work under multiple future climate scenarios and under current levels of uncertainty? Robust options will fare well across a range of future scenarios. Where uncertainty is high, you may want to prioritize options that are “**no-regrets**” or “low regrets,” or options that may produce high **co-benefits**. Measures that may be maladaptive in the future, or have adverse consequences on neighboring communities and ecosystems, should be avoided.
- Is the option flexible, allowing for adjustment and incremental implementation and refinement depending on the level and degree of ongoing climate change?
- Is the adaptation option likely to have a meaningful impact on vulnerability? Is the number of beneficiaries significant given the cost?
- Are there opportunities to harness science and technology to increase program impact?
- Does the adaptation option contribute to significant increases in greenhouse gas emissions or does it have mitigation co-benefits? For example, a plan to increase pumping capacity in cities that face severe

flooding could explore ways to power it with renewable energy or find other adaptation options with lower energy needs.

- Does the approach maximize engagement with host country organizations, which are best placed to understand and address local climate change impacts and adaptation needs and sustain results?
- Can the approach contribute to USAID’s learning and research agenda for adaptation? Demonstration projects in particular should have rigorous monitoring and evaluation plans, so that they maximize learning that can be shared.

## DEFINITIONS

**No-regrets** adaptation measures have benefits today under current climate variability, and are also beneficial to adapt to anticipated future climate changes under all scenarios. For example, conservation agriculture may improve overall productivity under a variety of climate scenarios. On the other hand, expanding drainage channels may not be a worthwhile investment if projections of increased rainfall are highly uncertain.

**Co-benefits** are positive impacts that occur in addition to the primary goal. In many cases, these additional benefits can be just as important as the primary benefit and projects and policies can be explicitly designed to maximize specific co-benefits. For example, improving city drainage to reduce damages from severe floods could also reduce incidence of water-borne disease.

## INCLUDING ADAPTATION IN THE PROJECT’S OR ACTIVITY’S LOGICAL FRAMEWORK

The Mission should refer to its approved CDCS/RDCS and associated Results Frameworks to inform its project design. Whether you are developing a logical framework for an adaptation project/activity or including adaptation in the logical

framework of a broader project/activity, you should clearly articulate your theory of change based on how your interventions will make people less vulnerable to climate stressors. [USAID's Adaptation Pillar Results Framework](#) can help you think through the causal links between potential actions and expected results. Your Adaptation investments must make an explicit, primary contribution towards increasing the resilience of people, places and livelihoods to climate change.<sup>6</sup>

In formulating a good adaptation objective, you should aim to explicitly identify:

- The climate-related stress being addressed
- The critical input, sector/theme, system or stakeholders at risk
- The adaptation measures being promoted
- The desired outcome

A few examples are listed in the following section.

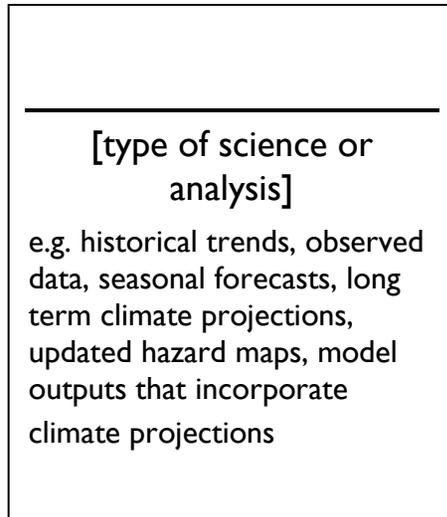
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<sup>6</sup> FY14 Operating Plan (OP) guidance. Please consult this year's consolidated [Operating Plan guidance for GCC](#) as requirements may change annually.

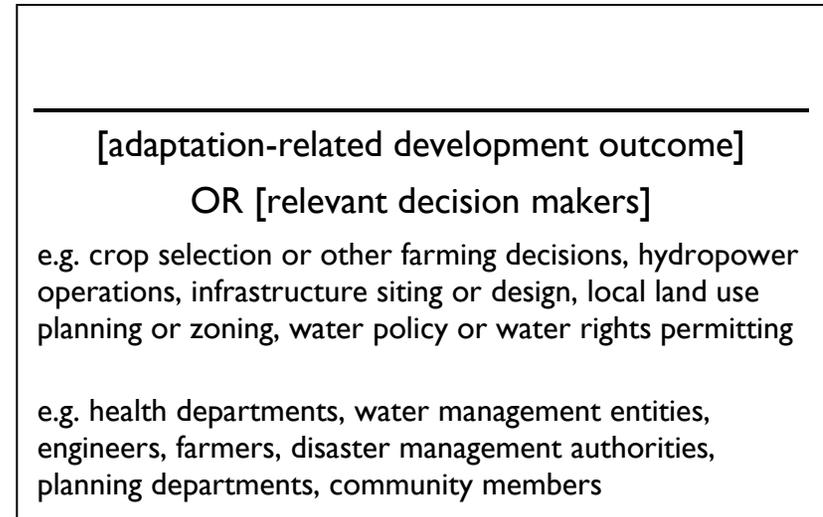
## FORMULATING AN ADAPTATION OBJECTIVE

Here are a few sample “formulas” for writing an adaptation objective at different levels of specificity, depending on what you know and what you want to accomplish:

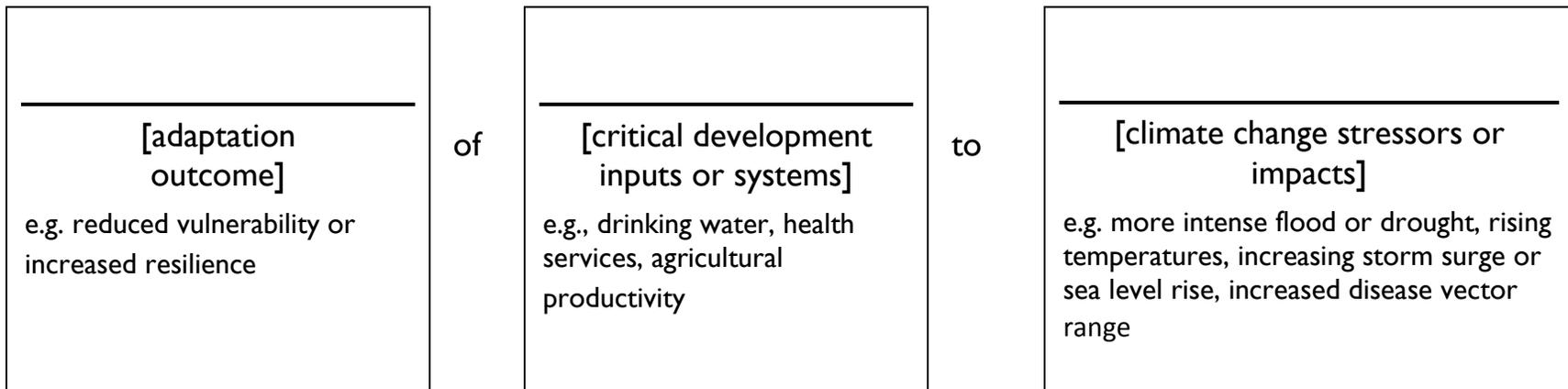
Improved access to/use of



for



➤ Example: *Improved use of climate information for medium- to long-term water utility planning and management decisions*



➤ Example: *Reduced vulnerability of coastal communities’ drinking water supplies to intense rainfall events and sea level rise*



- Example 1: *Improved formal coordination by multiple ministries to address adaptation priorities*
- Example 2: *Increased civil society participation in national adaptation policy planning processes*

## OTHER ANALYSES FOR THE PROJECT APPRAISAL DOCUMENT (PAD)

What follows is a description of how required and optional analyses, beyond vulnerability assessments, might address adaptation.

### Required PAD Analyses:

Gender Analysis (see [ADS 205.3.4](#)) – The following resources can provide additional information on applying a gender perspective to AD programming:

- [Gender, climate change and community-based adaptation: A guidebook for designing and implementing gender-sensitive community-based adaptation programmes and projects](#) (UNDP, 2010).
- [Training Manual on Gender and Climate Change \(GGCA\), Module 4.](#)

Environmental Analysis (see [ADS 201.3.15.3b](#)) – Some adaptation interventions – like irrigation or drainage projects to deal with changing rainfall patterns, flood or drought – may have a significant effect on the environment. They require an Environmental Assessment or Environmental Impact Statement that meets the requirements of 22 CFR Reg. 216 as well as close monitoring and oversight, or that you choose alternative projects/interventions.

Sustainability Analysis (see [ADS 201.3.15.3c](#)) – Climate change is something that should be considered during sustainability analyses, whether or not the project receives focused AD, Sustainable Landscapes or Clean Energy funding. The [Sustainability Analysis Methods Discussion Note](#) provides some helpful methods that can be applied to address climate change in the sustainability analysis. Furthermore, some helpful questions to

The impact of climate change on project sustainability will depend in part on the intended duration of the project and its results. For example, new infrastructure is typically intended to last for decades, and will be exposed to more severe climate change impacts than an agricultural intervention that could be modified in a few years.

guide this analysis include: “Will the project affect, or be affected by, medium and longer-term climate change impacts?” and “How should the project’s design be adjusted in consideration of climate change vulnerabilities to enable adaptation to climate change?”

### Optional Analyses (sometimes part of Sustainability Analysis):

Economic and Financial Analysis (see [ADS 201.3.15.3d](#)) – An example of economic analyses related to climate change adaptation can be found in the [World Bank’s case studies](#) in Bangladesh, Bolivia, Ethiopia, Ghana, Mozambique, Samoa and Vietnam.

Cost Benefit Analysis (CBA) (see [ADS 201.3.15.3d](#)) – One compilation of adaptation-specific methodologies is located [here](#). McKinsey and others have developed a [methodology](#) as well. While CBA modeling can be a useful tool, it can be expensive. It is also challenging to account for uncertainty regarding future climate change impacts and other issues, so missions should carefully consider whether it is an appropriate tool to inform their adaptation programming.

Social Soundness Analysis (see [ADS 201.3.15.3e](#)) – USAID’s 2014 publication *Climate Resilient Development: A Guide to Understanding and Addressing Climate Change* will soon include an annex on disadvantaged populations, which can help Missions assess the distribution of the benefits and burdens of proposed adaptation interventions.

Institutional Analysis (see [ADS 201.3.15.3g](#)) – For adaptation, the institutional analysis should go beyond the ministry of the environment to consider other sectoral/technical ministries, meteorological services, local governments and civil society institutions, as appropriate.

Conflict Assessment (see [ADS 201.3.15.3j](#)) – These [case studies](#) from Uganda, Ethiopia and Peru provide examples of how to look at whether climate change may be contributing to or amplifying the potential for conflict, and what steps might be taken to prevent and mitigate those effects.

## PROCUREMENT OF AD MECHANISMS

The technical evaluation criteria and key personnel of procurement documents should reflect climate change adaptation-specific criteria. Sample scopes of work and other resources for adaptation mechanisms, including a list of [USAID climate change mechanisms](#), can be found on the [GCC intranet](#).

## MONITORING AND REPORTING ON AD PROJECTS AND ACTIVITIES

Monitoring and reporting on standard indicators provide a means to aggregate results across the entire Agency. The results are used for internal and external reporting, to demonstrate progress the Agency is making on climate resilience, to share lessons learned and to demonstrate USAID's technical leadership. For up-to-date reporting requirements, please see this fiscal year's [Performance Plan and Report Guidance](#) for reporting on Adaptation results.<sup>7</sup>

Any operating unit (OU) that attributes results from either focused or indirect climate change programming should report on GCC results as part of the annual Performance Plan and Report (PPR). If an outcome of your project (or activity) is to increase the capacity of *individuals* to adapt to the impacts of climate change, then you must<sup>8</sup> report on standard indicator 4.8.2-26: "Number of stakeholders<sup>9</sup> with increased capacity to adapt to the impacts of climate change as a result of USG assistance," disaggregated by:

- Stakeholders implementing risk-reducing practices or actions to improve resilience to climate change
- Stakeholders using climate information in decision making
- Stakeholders with increased knowledge of climate change impacts and response options

If instead an outcome of your project (or activity) is to increase the capacity of *institutions*, or

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<sup>7</sup> The guidance can also be found on State's Office of U.S. Foreign Assistance Resources (F) SharePoint site.

<sup>8</sup> FY14 [Guidance for Performance Plan and Report](#) (PPR). Please consult this year's [PPR guidance for GCC](#) as requirements may change annually.

<sup>9</sup> "Stakeholders" in this case refers to individuals

organizations, to address climate change adaptation issues, then you must<sup>10</sup> report on standard indicator 4.8.2-14: "Number of institutions with increased capacity to address climate change issues as a result of USG assistance."

If your project or activity will increase the capacity of both individuals and institutions, then you should report on both indicators. If in the current year the project does not have results for these indicators, you should report zero for that year but please still include the indicator(s) with out-year targets in your PPR.

There are a number of other [GCC standard and custom indicators](#) that may also be relevant to your project.

For instance, there are GCC standard indicators for training (4.8.2-6), investment leveraged (4.8.2-10) and legal/policy environment (4.8.2-28). The [GCC indicator definition sheets](#) for each indicator describe how to establish baselines and include information on tools that may be available to facilitate monitoring.

At the project level, reporting on standard indicators is just part of your overall project monitoring plan. In addition, you will want to have indicators that help you to manage your project. The [GCC indicators summary sheet](#) also contains a list of suggested custom indicators that may help you generate ideas on what other indicators you will use.

For questions regarding GCC monitoring, please contact [climatechange@usaid.gov](mailto:climatechange@usaid.gov).

## EVALUATING AD PROJECTS

Adaptation projects and activities should follow the guidelines in [USAID's 2011 Evaluation Policy](#) and [ADS 203](#) for selecting and designing evaluations. Priority evaluation and research questions regarding Adaption projects and activities can be found in the GCC Evaluation Agenda and Research Agenda, to be developed in 2015.

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<sup>10</sup> FY14 [Guidance for Performance Plan and Report](#) (PPR). Please consult this year's [PPR guidance for GCC](#) as requirements may change annually.

Please see the How-To Guide on Performance Monitoring and Evaluation of Climate Change Benefits for more information.

## ANNEX I: SOURCES OF ADAPTATION INFORMATION

Information on national plans and country-level climate scenarios:

- **[National Adaptation Programs of Action \(NAPAs\)](#)**, developed by Least Developed Countries, identify urgent and immediate adaptation needs, and propose priority adaptation projects. These documents vary in age and quality, so they should be reviewed critically.
- **[National Adaptation Plans \(NAPs\)](#)** are medium- to long-term adaptation planning processes. Least Developed Countries in particular and many other developing countries are now in the process of developing NAPs.
- **[National Communications](#)** are submitted by countries to the UNFCCC and include information on country context, broad priority development and climate objectives, overviews of key sectors, historic climate conditions, projected changes in the climate and impacts on key sectors, potential priority adaptation measures, limitations, challenges and needs.
- **[The World Bank's Climate Change Knowledge Portal](#)** is intended to provide quick and readily accessible climate and climate-related data to policy makers and development practitioners. The site also includes a mapping visualization tool (webGIS) that displays key climate variables and climate-related data.
- **National climate change policies and plans.** Many countries have policies and plans for addressing climate change adaptation. The Adaptation Partnership review listed below is a good source for finding these.

Existing and planned country- and region-specific assessments of adaptation needs:

- **[The Adaptation Partnership](#)**, launched by the US, Costa Rica, and Spain and active from 2010 to 2012, did a *Review of Current and Planned Adaptation Action*. There are 12 regional and 114 individual country profiles that include rapid assessments of priority interests and adaptation needs; efforts by governments to support adaptation through policy and planning; the scope of international support for adaptation efforts in different countries and sectors; and potential gaps in adaptation efforts at the country and regional levels.
- **[The Adaptation Learning Mechanism](#)** site includes country profiles summarizing key adaptation information, resources and projects, as well as a document database. Registration is free, and registered users can upload content to the site.
- **[The Global Framework for Disaster Risk Reduction \(GFDRR\)](#)** Country Adaptation Profiles offer historic climate information at national and sub-national levels, historic climate-related disaster information, a summary of observed climate trends, as well as summarized adaptation needs in key development sectors/themes.
- **[USAID Country Vulnerability Profiles](#)** include short profiles of an illustrative set of 25 country and regional Missions that were done as part of the Agency Adaptation Plan, looking at expected climate changes and the vulnerability of programs funded with non-GCC funds (Feed the Future, Global Health, WASH, etc.). You will also find overview fact sheets for many of the countries in the Africa region; these were developed for Missions to use with a general audience and they lay out the basic expectations for climate change for each country/region, as well as vulnerabilities of the key sectors.

**Additional resources are available on the [USAID GCC intranet site](#).**