

TC ABSTRACT

I. Basic project data

▪ Country/Region:	Regional
▪ TC Name:	Strengthening Climate Resilience in ESCI cities
▪ TC Number:	RG-T2652
▪ Team Leader/Members:	Team Leader: David Wilk (INE/CCS); Co-Team Leader: Horacio Terraza (INE/WSA); Team Members: Maricarmen Esquivel, Jennifer Doherty-Bigara, Mariana Hernandez and Martin Kerres (INE/CCS); David Maleki (INE/WSA); Tsuneki Hori and Ginés Suarez (INE/RND); Avelina Ruiz (IFD/FMM)
▪ Taxonomy:	Research & Dissemination
▪ Reference to Request: (IDB docs #)	N/A
▪ Date of TC Abstract:	April 2015
▪ Beneficiary:	Regional
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ IDB Funding Requested:	US\$350,000
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period:	20 months (execution period: 18 months)
▪ Required start date:	July 1, 2015
▪ Types of consultants:	Individual consultants
▪ Prepared by Unit:	INE/CCS
▪ UDR:	INE
▪ Included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ GCI-9 Sector Priority:	Protect the environment, respond to climate change, promote renewable energy and ensure food security

II. Objective and Justification

- 2.1 The objective of this TC is to strengthen the mainstreaming of climate change adaptation in urban project development in intermediate cities through a science and practitioner’s dialogue.
- 2.2 Latin America and the Caribbean (LAC), as a developing region, has an urbanization rate of 79%¹ –the highest in the world (2013), which is expected to increase in the coming decades.² Cities in the region are particularly vulnerable to the impacts of climate change, including natural disasters such as flooding and landslides as well as slow onset developments such as gradually increasing water scarcity.
- 2.3 In order to meet these challenges, the IDB has considerably increased its engagement on urban development through its Emerging and Sustainable Cities Initiative (ESCI), established in 2010. Since its inception, the Climate Change and Sustainability Division of the Bank (CCS) has contributed to ESCI’s activities. Thus far the support on adaptation has been focused on the integration of climate change considerations into vulnerability studies³ in close cooperation with the Environment, Rural Development and Disaster Risk Management Division. However, the identification of adaptation investment opportunities and consideration of climate impacts after the completion of the vulnerability studies has been challenging.

¹ World Bank Data Portal: <http://data.worldbank.org/region/LAC>.

² UN HABITAT (2012): State of Latin American and Caribbean cities: <http://mirror.unhabitat.org>.

³ Examples of good practices include, among others, the vulnerability studies for Managua, Nicaragua (<http://www.urbandashboard.org>) and Trujillo, Peru (<http://www.urbandashboard.org>).

- 2.4 Adaptation to climate change is an evolving process with an active international scientific and practitioners development community.⁴ At the same time, urban development is a relatively new topic in the adaptation community, with the IDB being active in several international networks such as the Urban Low Emission Development Strategies and the International Council for Local Environmental Initiatives (ICLEI).⁵ CCS has also been part of the Urban Climate Change Research Network (UCCRN), a consortium of over 550 individuals dedicated to the analysis of climate change mitigation and adaptation from an urban perspective. In order to keep this advantage and continue providing valuable input to ESCI, CCS must make sure to remain at the cutting edge of international experiences by keeping up to date with the most relevant studies and collaborations.
- 2.5 This operation is aligned with the GCI-9 sector priority related to the protection of the environment, responses to climate change and the promotion of renewable energy. Resilience to the impacts of climate change is a key aspect of environmentally and socially sustainable infrastructure according to the IDB Sustainable Infrastructure Strategy. In addition, Strategic Line C of IDB's Climate Change Action Plan calls for the development of instruments to make climate change an integral, everyday part of all Bank-funded operations. The TC is based on the results of prior activities on urban development and climate change such as operation ATN/SF-12329-RG ("Analytical Support for Climate Change Action in Cities in LAC"), and will be implemented in close cooperation with the ESCI.

III. Description of Activities and Outputs

- 3.1 **Component 1. Practical guidelines for mainstreaming climate change adaptation in ESCI projects.** This component will gather, systematize and publish lessons learned from the integration of climate change scenarios in the ESCI vulnerability studies. This analysis will promote: (i) a better understanding of the climate projections applied to urban vulnerability and the risk assessments at the city level; (ii) the dissemination of the knowledge produced by ESCI –and its potential for mainstreaming climate adaptation in urban development, to internal and external audiences; and (iii) a proposal for a framework to guarantee the consistent mainstreaming of climate change vulnerability assessments in ESCI's processes of project prioritization and development of pre-investment studies once the action plans are completed. This work will build on the lessons learned from existing IDB experience (including studies on economics of climate change⁶ and experience from mainstreaming adaptation at the national level⁷) as well as international case studies and benefits from the extensive network the IDB has built and maintained during the last years. The outputs of this component are: (i) guidelines for the integration of climate scenarios into urban disaster risk studies, based on the experience and lessons learned from existing ESCI studies and their systematization; and (ii) a proposal for a mechanism to strengthen the mainstreaming of climate resilience within the ESCI project portfolio.
- 3.2 **Component 2. Design of an urban adaptation investment project considering the practical guidelines in an ESCI city.** Component 2 will provide an example of a concrete urban adaptation investment project using the practical guidelines described in Component 1.

⁴ While the political and financial adaptation dynamics are mainly driven by international negotiations managed by the UN Framework Convention on Climate Change (UNFCCC), scientific discussions involve a large multi discipline community led by the Intergovernmental Panel on Climate Change (IPCC).

⁵ ICLEI – Local Governments for Sustainability is an international association of local and metropolitan governments dedicated to sustainable development.

⁶ E.g. Understanding the Economics of Climate Adaptation in Trinidad and Tobago. publications.iadb.org.

⁷ Including Policy Based Loans which have been implemented in countries such as Barbados, Colombia, Mexico, Panama and Peru and several Technical Cooperations.

The investment study will be developed in an ESCI city which has already completed the ESCI methodology and action plan, and will be selected based on the local interest and engagement, its specific climate vulnerabilities and the potential to generate a best practice adaptation project. The component includes one preparatory workshop and one workshop to present the adaptation project in the selected city. The outputs are: (i) an urban adaptation investment project design in one ESCI city and (ii) two workshops in the selected city.

- 3.3 **Component 3: Synthesis, dissemination and IDB positioning.** This component will facilitate the professional knowledge exchange with regional and international partners. The component includes the participation in the yearly ICLEI Resilient Cities Conference in which INE/CCS has represented the IDB for the last three years and facilitated the participation of several ESCI cities representatives. Moreover, a joint workshop with UCCRN at the 21st Conference of the Parties of the UNFCCC (COP 21) will be implemented. UCCRN leads the Assessment Report on Climate Change and Cities (ARC3) to which both CCS and ESCI are contributing as authors, providing case studies that will be widely read. In addition, the results from Components 1 and 2 will be published, presented and discussed in a workshop including relevant urban development stakeholders such as C40, ICLEI, UN-Habitat and representatives from cities and scientific networks in the region, to be held in Washington D.C. The outputs of the component are: (i) contributions to UCCRN ARC3 Report; (ii) active participation in the ICLEI Resilient Cities Conference 2016 as well as the COP 21; and (iii) publication of the TC results and ESCI workshop with relevant regional and global stakeholders to take place in Washington D.C.

IV. Budget

Indicative Budget (US\$)

Activity/Component	Description	IDB Funding
Component 1	Strengthening climate resilience in ESCI projects	80.000
Component 2	Design of an urban adaptation investment project	180.000
Component 3	Synthesis, Dissemination and IDB Positioning	80.000
	Supervision and monitoring of activities	10.000
	Total	350.000

V. Executing Agency and Execution Structure

- 5.1 The IDB will be the executing agency, since the TC requires a strong and central coordination. The execution period is expected to be no longer than 18 months and the disbursement period 20 months. The technical responsibility for the supervision at the Bank will be on charge of the INE/CCS Division in Washington D.C., in coordination with the different Bank Divisions participating in the project, in particular ESCI. The disbursements will be made with the support of the Bank's procurement and contract officers.

VI. Project Risks and Issues

- 6.1 The main risk of the TC is the translation of information and methodologies on climate resilience to concrete activities, as well as its dissemination to local municipalities and communities. This risk will be mitigated through a strong focus on implementable activities and the investment project design for one ESCI city. Moreover, the operation will be implemented in close cooperation with ESCI practitioners and ESCI partner cities.

VII. Environmental and Social Classification

- 7.1 The operation has been classified as a Category "C" project per the Environment and Safeguards Compliance Policy of the Bank.