

INTEGRATING CLIMATE CHANGE ADAPTATION AND DEVELOPMENT

Past trends and ways forward for Danish development cooperation

Table of contents

List of figures, tables and boxes	5
Executive summary	6
Abbreviations	12
Introduction	15
The urgency of adaptation	16
The challenge of integrating adaptation and development	16
Background and structure of the report	18
Adaptation and development linkages	21
Climate change adaptation and resilience	22
The nexus of adaptation and development	23
The adaptation-development continuum	24
From add-on mainstreaming to integrated thinking	26
Practical steps for integrated programming	29
Approaches of selected development partners	33
Overview of approaches	34
Overall trends	35
Approaches of selected partners	42
Trends in Denmark's support for climate change adaptation	53
Funding commitments and mitigation-adaptation balance	55
Adaptation as principal or significant component	56
Delivery pathways	59
Sector focus of adaptation commitments	60
Thematic focus of bilateral and multilateral pathways	64
Implications for Danish support for climate change adaptation	67
Discussion of implications	68
Overall recommendations	71

This report is written by Mikkel Funder, senior researcher, DIIS, Lily Salloum Lindegaard, researcher, DIIS, Esbern Friis-Hansen, senior researcher, DIIS, and Marie Ladekjær Gravesen, postdoc, DIIS, and published by DIIS.

DIIS · Danish Institute for International Studies
Østbanegade 117, DK-2100 Copenhagen, Denmark
Tel: +45 32 69 87 87
E-mail: diis@diis.dk
www.diis.dk

Layout: Lone Ravnkilde
Printed in Denmark by Eurographic
All DIIS Reports are printed on FSC certified paper

ISBN 97887-7236-005-8 (print)
ISBN 97887-7236-006-5 (pdf)

DIIS publications can be downloaded free of charge or ordered from www.diis.dk
© Copenhagen 2020, the authors and DIIS

Annex 1.	Selected events/statements on adaptation mainstreaming in Danish development cooperation	80
Annex 2.	MDB Common Principles ('three-step approach')	81
Annex 3.	Data and methods for analysis of Danida support to adaptation	84
Annex 4.	List of people consulted	87

LIST OF FIGURES, TABLES AND BOXES

Figures

Figure 1.	How support for climate change adaptation can contribute to resilience	22
Figure 2.	The nexus of adaptation and development	24
Figure 3.	The adaptation-development continuum	26
Figure 4.	Balance of mitigation/adaptation commitments (2013-2018)	55
Figure 5.	Number of adaptation commitments according to Rio Markers (2016-2017)	57
Figure 6.	Adaptation commitments according to Rio Markers in DKK (2016-2017)	57
Figure 7.	Number of adaptation commitments according to funding source and Rio Markers (2016-17)	58
Figure 8.	Delivery pathway of adaptation commitments in DKK	59
Figure 9.	Number of adaptation commitments according to sector (2013-2017)	61
Figure 10.	Adaptation commitments by primary sector and delivery pathway (2013-2017, DKK)	62
Figure 11.	Principal sectors targeted by the bilateral and multilateral commitments (2013-2017, DKK)	65

Tables

Table 1.	How selected development partners approach the adaptation/development relationship	36
Table 2.	Examples of institutional choices in addressing adaptation	42
Table 3.	Example of DCA registration of their support for climate change (Year: 2017)	49
Table 4.	Selected key events and statements on mainstreaming of adaptation related to Denmark's development assistance, 2005-2017 (in Annex 1)	79

Boxes

Box 1.	A value-based definition of adaptation mainstreaming	28
Box 2.	Main steps for adaptation analysis	30
Box 3.	The Pilot Programme for Climate Resilience in Zambia	43

EXECUTIVE SUMMARY

Introduction

Climate change will severely affect the economies of developing countries and will constrain achievement of the Sustainable Development Goals on virtually all fronts. Integrating climate change adaptation more broadly into development cooperation is therefore a pressing issue and has never been more relevant. As this report goes to press, a number of developing countries are seeking to address the Covid 19 crisis alongside extreme floods or droughts, internal conflicts and a variety of economic challenges. The ability to respond to shocks and challenges, to manage unpredictability and to transform societies in a sustainable direction are key elements of resilience. To achieve this requires an integrated approach in which climate change adaptation is a critical element.

Discussion of the relationship between adaptation and development and of how to 'mainstream' adaptation into development support is nothing new. However, while increasing attention is being given to adaptation in multilateral and bilateral development cooperation, uncertainty persists regarding the ways and extent to which adaptation should be addressed as part of broader development efforts.

The current report seeks to address the integration of adaptation and development in the context of Denmark's development cooperation. The report has been prepared by DIIS as part of the project 'Research and Evaluation of Development Cooperation' with funding from the Danish Ministry of Foreign Affairs.

Adaptation and development linkages

The report begins with a brief discussion of selected key aspects of past debates and the literature on adaptation-development linkages and what this implies for policy and practice. It shows how adaptation to climate change is a key component in achieving resilient societies and that this requires a broad approach. Rapid responses to disasters such as floods, droughts and associated population displacements are obviously necessary, but they are inevitably just 'fire-fighting' and must be complemented by adaptation measures that help build long-term socioeconomic and institutional foundations for resilient societies.

The report further argues that development and adaptation are mutually supportive and that each is the key to achieving the other. It is therefore time to move beyond hair-splitting debates about exactly what is adaptation and what is development, and instead pursue an integrated approach across sectors and development agendas.

In so doing, it is important to avoid climate change becoming a tick-box exercise or a superficial add-on to other areas of support. While there are obvious opportunities to incorporate adaptation activities into existing development portfolios, they will not be enough. A fully integrated approach which factors in adaptation to climate change from the outset is required. Fortunately, tangible approaches exist or are being developed and can be incorporated into Denmark's policy and programming.

Approaches of selected development partners

The report discusses how selected development partners relevant to Danish development cooperation have approached the relationship between adaptation and development in three different respects, namely policy development, programme design, and tracking & reporting (i.e. Kenya, Bangladesh, Ethiopia, the Green Climate Fund, the Climate Investment Funds, World Bank, UNDP, CARE, DanchurchAid, DFID and Danida).

Policy development. There is increasing recognition among development partners that adaptation and development are interlinked and should be approached as such. In developing countries it is also notable that the most recent generation of climate policies and plans exhibit quite integrated approaches, to the extent that some countries now have adaptation policies that appear more comprehensive than those of some climate funds and donors. These are positive trends, as they signal a departure from the previously quite polarised positions between 'climate actors' and 'development actors', as such providing an opportunity for a concerted joint effort. However, differences re-emerge when it comes to deciding how integrated approaches should be addressed in practical strategic terms. Approaches differ in determining what an integrated approach implies, what the responsibilities are of the different actors involved and what funds are involved. Moreover, while multilateral organisations and climate funds have recently become clearer in their approach to the links between adaptation and development, the issue remains less clear among many bilateral agencies, where clearly articulated policies and strategies for the integration of adaptation are often lacking and where institutional capacity and support is inadequate. This has arguably been the case in Danida.

Programme design. Initial efforts to address the links between adaptation and development through climate-screening requirements, while often well-conceived in principle, have often either not been implemented in practice or have become ‘tick-box’ exercises due to a lack of clear policy signals that integrating climate change was a priority. There is now a growing emphasis among MDBs, NGOs and some bilateral donors to integrate adaptation more fully at the programme design stage, with clear analyses and links to climate risks and vulnerability. Approaches have also been developed by IIED, IISD and other policy-oriented research organisations that are capable of supporting an integrated approach in programme design. As a result, a variety of options for integrating adaptation and development exist and typically include:

- clear analysis and identification of the climate risks and vulnerabilities that programmes and other support will help address
- a simple set of criteria that must be met in order for support to be approved as adaptation-relevant
- a cross-sectoral approach to adaptation in development policy and development programming

Such approaches go well beyond earlier generations of ‘climate screening’ by aiming to incorporate adaptation fully into policies and programmes as part of the problem analysis and objective analysis from the outset. Ensuring that the climate component of programmes is clearly addressed and accounted for will also help address concerns about ‘double counting’ and the lack of transparency in climate financing.

Tracking and reporting. This has been a contentious subject, since it is connected to the global reporting on climate finance expenditure and the associated commitments under the UNFCCC negotiations. While the so-called Rio Markers are the approach most commonly adopted thus far, including by Denmark, they are applied in a variety of ways. Meanwhile some actors, including the MDBs, apply a different approach altogether. The Danish NGOs CARE Denmark and DanChurchAid are currently trialling innovative approaches. In general, the debate over and experiences of tracking and reporting in relation to climate finance varies between relatively superficial systems based on simple categorisations of funding and more ‘granular’ approaches that focus on greater detail in the accounting. While the latter

are ideal, they typically require a good deal of time and institutional capacity that would arguably be better spent on other aspects of adaptation and development. A balanced approach which provides for UNFCCC reporting while going into granular detail in some cases may therefore be the best option at the present time.

Trends in Denmark’s support for climate change adaptation

The report further examines the nature and focus areas of Denmark’s commitments to adaptation during the period 2013-2017 (the period for which data were available) and discusses the implications for Danish development cooperation. Findings include:

Overall balance between adaptation and mitigation. Towards the end of the period examined, Denmark achieved a balance between adaptation and mitigation funding and provided a greater share of its climate change funding towards adaptation than the average of other donors. Although this is a positive development, total climate financing fluctuated during the period, and adaptation was not always high on the policy agenda, indicating the importance of persistent political will and policy signals if climate change adaptation is to be addressed in the longer term.

Balance between delivery pathways. Bilateral support made up half of Danish support to adaptation during the period examined, with the remainder being allocated through multilateral and civil-society channels. The current balance between bilateral and multilateral delivery pathways seems sensible. A recent analysis of the evaluations of Denmark’s development assistance in four countries suggested that bilateral assistance can achieve positive outcomes for mainstreaming environmental agendas, including climate change. Replacing bilateral adaptation support with further multilateral channelling is not advisable.

Sector focus of adaptation support. Denmark’s bilateral commitments during the period examined showed an emphasis on ‘traditional’ adaptation sectors such as agriculture and water. These are core sectors when it comes to reducing vulnerability and facilitating transformation and should continue to be treated as priority areas. However, other highly relevant sectors have been addressed to a much lesser extent. A case in point is the underestimated importance of climate impacts on health. Other sectors, such as peacebuilding and conflict, migration and displacement and private-sector development, have received some attention but are still relatively ‘new’ in terms of how they should in fact be addressed and linked to adaptation.

There is a strong need to integrate adaptation into the bilateral support to these areas. It is also worth noting that support provided to multilateral channels during the period had a notably different composition than the bilateral funding, with an emphasis on support to public institutional frameworks. There is good scope for learning from the multilateral experiences with this type of support, and opportunities for collaborative action.

Overall recommendations

Based on the study, the report makes the following recommendations for future Danish support to climate change adaptation:

- Denmark should make climate change a key aim of its development cooperation and leverage it from being just a technical subfield to becoming a primary objective alongside poverty alleviation, export interests, security and mitigation.
- A clear strategy for Danish support to climate change should be developed. The strategy should be reflected in both the overall strategic framework of Danish development cooperation and a specific strategy which provides a tangible means of steering adaptation support. The strategy should have an equally balanced focus on adaptation and mitigation and should clearly emphasise an integrated approach to adaptation both within and outside the climate envelope. The strategy should build on and expand the initial efforts at mainstreaming climate change adaptation from 2005 onwards, together with the Guiding Principles for the Danish Climate Envelope.
- Adaptation should be addressed and factored into development support across sectors. Not all development is adaptation, but all good adaptation is development. While adaptation is already being addressed and reported on in some of the more obvious bilateral programmes (e.g. water and agriculture), it should also be dealt with in, for example, health, private-sector support, employment, peace, migration and governance. It is likely that the current Covid 19 crisis will lead to a greater emphasis on health-sector support and the reconstruction of affected economies, in which case the integration of adaptation concerns will be an obvious opportunity to produce joined-up thinking on resilience. As highlighted by the recent experiences of some other donors, such integration should be ambitious rather than mere 'add-on' mainstreaming.

- Denmark should provide policy-level support to recipient countries on integrated approaches to adaptation as a means to facilitate the sound implementation of NDCs and the increasingly integrated adaptation policies of developing countries.
- Denmark should increase the human resources it devotes to climate change adaptation in Danida. This is a key lesson from other donors and is critical to ensuring that adaptation can be integrated in practice. This will also help improve liaison with those MDBs that are quickly emerging as the absolute leaders of global adaptation financing and to which Denmark contributes. During our study, both bilateral and multilateral donors expressed a concern that Danida staff cutbacks had affected the opportunities for mutual engagement.
- The Aid Management Guidelines should be updated to address the integration of adaptation more fully. The key to ensuring that adaptation is de facto addressed in integrated interventions lies in well-informed analyses of climate-related risks and vulnerabilities during the design stage. Efforts by some organisations to document additionality are unnecessary and will only complicate matters. It is time to move beyond artificial distinctions between adaptation and development.
- Tracking and reporting on adaptation finance is necessary to document compliance with conventions and satisfy concerns over double accounting, etc. A fully granular approach would ideally be preferable but requires a great deal of time and human resources, which may be better spent on ensuring that design and implementation (including M&E) are properly integrated. Continuation of the current Rio Marker system, possibly coupled with a semi-granular approach in selected areas and learning from current advances within the three-step approach, therefore seems the most realistic option at the present time.

ABBREVIATIONS

ALP	CARE Adaptation Learning Programme
CIF	Climate Investment Funds
CISU	Civil Society in Development
CPEIR	Climate Public Expenditure and Institutional Review
CSO	Civil Society Organisation
DAC	Development Assistance Committee
DCA	Dan Church Aid
DFID	Department for International Development UK
DRR	Disaster Risk Reduction
FFU	The Consultative Research Committee for Development Research
GCF	Green Climate Fund
ICF	International Climate Finance
IIED	International Institute for Environment and Development
IISD	International Institute for Sustainable Development
INDC	Intended Nationally Determined Contributions
IPCC	Intergovernmental Panel on Climate Change
LDC	Least Developed Country
LDCF	Least Developed Countries Fund
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
NDC	Nationally Determined Contributions
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PPCR	Pilot Programme for Climate Resilience
PRSP	Poverty Reduction Strategy Programme
SDG	Sustainable Development Goals
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change

A panoramic view of a city harbor. In the foreground, several fishing boats are docked at a pier. One prominent boat is red and white with the text "FISCALIZAÇÃO DA PESCA" and "KUSNAG 1 REPUBLIC". Another boat is black with "KUSNAG 2" and "KUSNAG" visible. A large black boat has the number "848009890" on its side. In the background, a city skyline is visible, featuring several tall buildings under construction with yellow cranes. The sky is blue with scattered white clouds.

INTRODUCTION

THE URGENCY OF ADAPTATION

Adaptation to climate change is a key aspect of building resilient societies. Reducing harmful global emissions is obviously crucial but must be complemented by a strong focus on adaptation. Even if the world manages to achieve the global goal of keeping the rise in average temperatures to below two degrees celsius, societies urgently need to adapt to the ongoing and future changes in our climate that have already been set in motion (IPCC 2019).

Climate change will severely affect the economies of developing countries and will constrain achievement of the Sustainable Development Goals on virtually all fronts (UN, 2019, UNESCO, 2019). The impacts of climate change are not restricted to a few sectors but affect the most fundamental aspects of society, including production, trade, livelihoods, mobility and security. Adaptation is therefore relevant across a wide range of development agendas and sectors, including jobs, manufacturing, infrastructure, urban development, peace, health, environment, agriculture, water and humanitarian relief (IPCC, 2015).

Integrating adaptation into development cooperation is a pressing issue and has never been more relevant. At the time of writing several developing countries are struggling with the unfolding Covid 19 crisis alongside extreme floods or droughts, threats to food security such as locust invasions, internal conflicts and a variety of economic challenges. The ability to respond to such shocks and challenges, to manage unpredictability and to transform societies in a sustainable direction are key elements of resilience. To achieve this requires an integrated approach in which climate change adaptation is a critical element.

THE CHALLENGE OF INTEGRATING ADAPTATION AND DEVELOPMENT

The discussion over the relationship between adaptation and development and how to 'mainstream' adaptation into development support is nothing new (see Schipper, 2007; Gupta, 2009; Dzebo et al., 2015; De Roeck et al., 2018; Runhaar et al., 2018). However, while increasing attention is being paid to integrating adaptation into multilateral and bilateral development cooperation, uncertainty persists regarding the ways in which adaptation should be addressed within broader development efforts and to what extent. A variety of factors have constrained integration so far.

One factor is that some stakeholders consider it better to keep development funding and climate change funding entirely separate. There are concerns that donors may move funds from existing development budgets to climate change activities or 'double count' them as both conventional ODA and climate finance, rather than providing new and additional climate financing to developing countries. This would compromise the commitment of developed countries to work towards mobilizing USD 100 billion annually as agreed at the UNFCCC COP 15 meeting in Copenhagen in 2009 and in the COP 21 Paris Agreement on climate change in 2015.

Early efforts have therefore not been backed up by strong policy signals from the leadership about the importance of integrating adaptation and development across portfolios, and guidelines for mainstreaming were rarely fully institutionalised in everyday practice.

There are also concerns that conventional development funding – bilateral as well as some multilateral mechanisms – is determined by donor agendas. Some developing countries therefore prefer to keep climate financing separate, potentially allowing them a greater say over funding decisions. From a historical perspective many of these concerns are understandable, legitimate and must be addressed. Nevertheless an unfortunate side-effect of this debate has been that much of the attention paid to climate and development efforts has focused on ensuring that donors account properly for their climate financing (as of course they should). This has side-lined debates on the integration of development and adaptation, making some donors reluctant to pursue fully integrated approaches once the issue became too sensitive.

Another constraint is the institutional challenges in the architecture of climate finance. Historically, commitments regarding multilateral climate funds have been built on the premise that climate finance must be new and additional. This has led to a strong focus on issues that have a very direct and immediate climate element, with less attention being paid to the more fundamental aspects of vulnerability and resilience, which are considered as belonging to the 'development' regime. This has led to the criticism that the multilateral climate funds are focusing too much on technical solutions to adaptation and are failing to take the underlying social and institutional vulnerability issues into account (Remling et al., 2015).

Moreover, even when development agencies have sought to address the integration of adaptation in development, their efforts have often been insufficient or inappropriate. While climate change has been on the agenda of most development agencies for some time, it is only quite recently that it has come to the fore as a de facto priority. Early efforts have therefore not been backed up by strong policy signals from the leadership about the importance of integrating adaptation and development across portfolios, and guidelines for mainstreaming were rarely fully institutionalised in everyday practice.

Addressing adaptation and development separately means that their interconnected nature is ignored, increasing the risks of both maladaptation and failed development. Moreover, obvious opportunities for development activities to address adaptation and vice versa will be overlooked (Mogelgaard et al., 2018). While the history of ODA is not always pretty, it is sometimes forgotten that it also offers a long history of useful experiences, both good and bad. This history can be fruitfully drawn on in relation to adaptation and can help avoid climate funding repeating the same mistakes and overlooking lessons regarding what works.

In the long term, it will likely not come down to a choice of whether to mainstream adaptation or not. Rather, as the impacts of climate change accumulate, addressing adaptation and development in an integrated way will become a prerequisite for the effectiveness of development efforts. Climate change adaptation will therefore have to become one of the primary objectives of the development agenda.

BACKGROUND AND STRUCTURE OF THE REPORT

The current report has been prepared by DIIS as part of the project 'Research and Evaluation of Development Cooperation' with funding from the Danish Ministry of Foreign Affairs. Some aspects of the study have been coordinated with a concurrent external evaluation of Denmark's support to climate change adaptation in order to avoid any overlap in thematic focus.

The study is based on:

- a desk review of selected literature, including academic research papers and available strategy documents and guidelines from relevant funds and organisations (see list of references)
- analysis of the available data on Danida support to adaptation during the period 2013-17
- interviews with selected partner representatives and observers
- findings from past and ongoing DIIS research on the implementation of adaptation policies and interventions in developing countries

The report begins by briefly discussing selected key aspects of the conceptual debate on linkages between adaptation and development and what this implies for policy and practice. It then goes on to review overall trends in approaches to supporting adaptation and development among funds and donors in the development and climate arenas, with an emphasis on selected development partners of relevance to the Danish context. It identifies three key junctures in the formal planning process of development partners where adaptation and development have so far been addressed, namely: (i) policies and strategies; (ii) project design; and (iii) tracking and reporting.

The report further highlights the importance of paying greater attention to implementation.

The report then examines the nature and focus areas of Denmark's commitments to adaptation during the period 2013-2017 and briefly discusses their implications for mainstreaming and future support. It examines the data on adaptation activities in greater depth than has previously been done, providing an indicative analysis of patterns in the adaptation portfolio. Lastly the report reflects on the policy implications for future support to climate change adaptation, including the prospects for integrating adaptation and development.

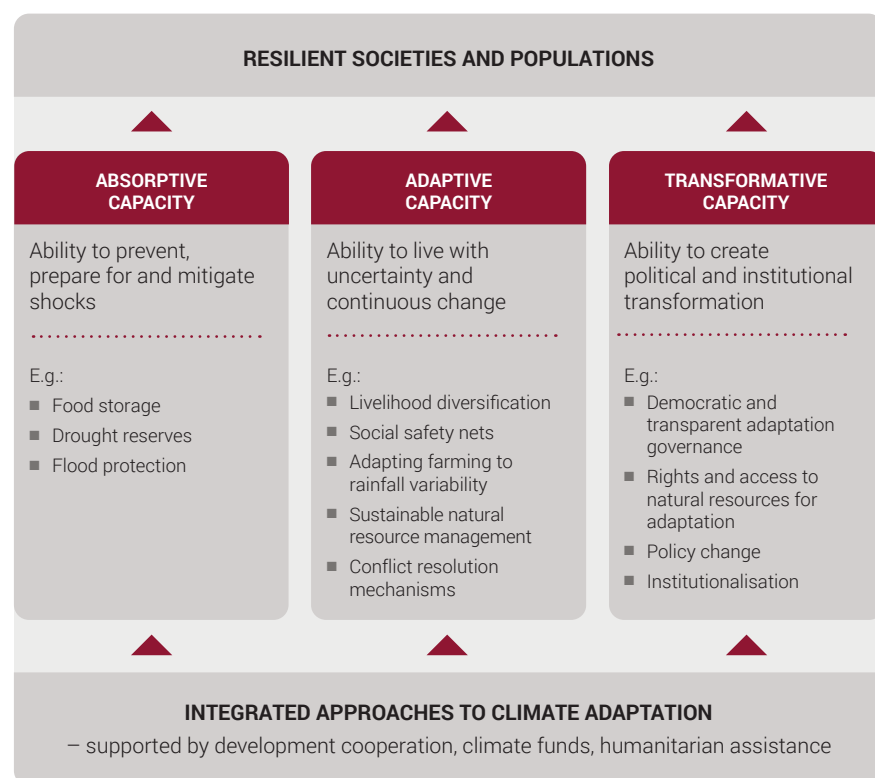


ADAPTATION AND DEVELOPMENT LINKAGES

CLIMATE CHANGE ADAPTATION AND RESILIENCE

Climate change adaptation is a key component in the achievement of resilient societies. Rapid responses to disasters such as floods, droughts and associated displacements of population are obviously necessary, but this is inevitably just ‘fire-fighting’ and must be complemented by adaptation measures that support a transformation towards long-term resilience in fragile settings and among vulnerable populations. Figure 1 provides an indicative sketch of how support for climate change adaptation can contribute to achieving resilience.

Figure 1. How support for climate change adaptation can contribute to resilience



Source: Inspired by Ensor (2011) and Action Aid (2016).

Support to climate change adaptation therefore requires a broad-based approach which not only addresses the immediate impacts of particular climate-change hazards, but also helps build the socioeconomic and institutional foundations for resilience. This requires support at different levels and across sectoral boundaries, as well as attention to how climate change adaptation and development support can be better integrated.

THE NEXUS OF ADAPTATION AND DEVELOPMENT

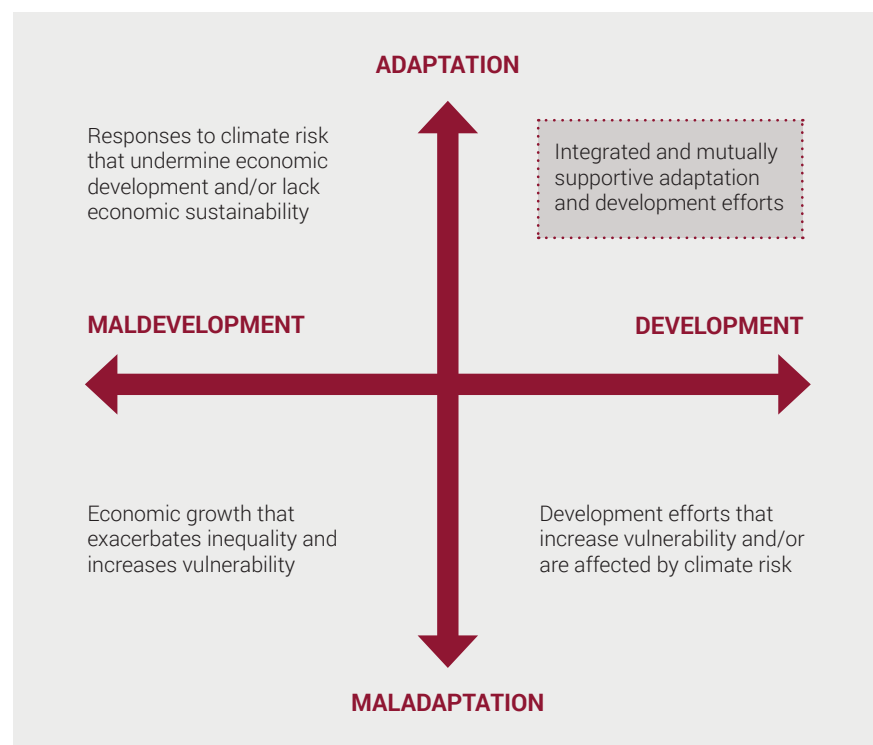
A first step towards achieving an integrated approach is to appreciate the mutually dependent linkages between adaptation and development. The conceptual dimensions of these linkages have been amply discussed in the academic literature (Schipper, 2007; McGray et al., 2007; Gupta, 2009; Ayers et al., 2014; Sherman et al., 2016; Aleksandrova, 2019). However, the linkages are also very practical: even if the goals of the Paris Agreement of achieving the 1.5 or 2 degree ceilings are met, substantial and long-lasting climatic changes are already underway and pose major threats to development aspirations and to achieving the Sustainable Development Goals (Rozenberg and Hallegatte, 2015). Adaptation is therefore critical for development and for the road towards building resilient societies.

Just as adaptation and development can be mutually supportive, they can also affect each other negatively if carried out separately.

Likewise, development is key to addressing the underlying drivers and mechanisms that create vulnerabilities and that hinder people’s efforts to adapt. Even where people possess ample knowledge and ideas of their own on how best to adapt, which they very often do, they are frequently unable to carry them out due to their lack of access to resources, limited rights and other features that development can help address.

Moreover, just as adaptation and development can be mutually supportive, they can also affect each other negatively if carried out separately. Poorly conceived development interventions can increase vulnerability, while badly planned adaptation support can lead to maldevelopment Figure 2.

Figure 2. The nexus of adaptation and development



Source: Authors.

THE ADAPTATION-DEVELOPMENT CONTINUUM

Efforts to support adaptation are many and varied. McGray et al. (2007) have made a well-known attempt to arrange different types of adaptation activities along a continuum, ranging from activities that address fundamental drivers of vulnerability to addressing more direct climate impacts (Figure 3).

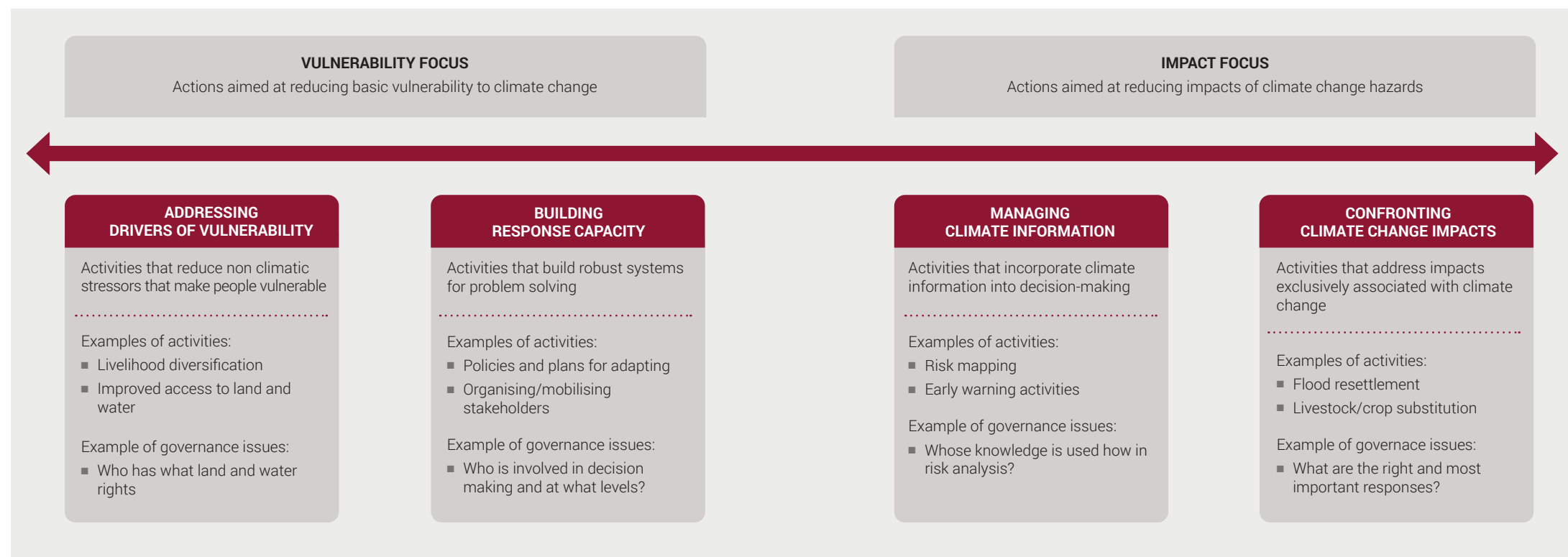
Efforts that target the left side of the spectrum are oriented towards drivers of vulnerability, which have conventionally been seen as development issues. Efforts that target the right-hand end of the spectrum are aimed more directly at addressing the immediate and specific impacts of climate change. All activities furthermore involve governance aspects that need consideration. Three things are important to note.

First, while the spectrum shows different possible objectives and focuses of intervention, most of the practical activities shown as being carried out to meet the objectives in question are already well-known in the field of development. For example, what is known in UNFCCC lingo as 'Planned Relocation' in response to, for example, climate change-induced flooding involves the same measures and risks that have been subject to decades of development-oriented resettlement schemes (Lindegaard and Funder, 2017, Lindegaard, 2019). This emphasises the close relationships between adaptation and development in practice and highlights the experience – good and bad – that development actors can bring to the task of adaptation.

Secondly, all aspects of the continuum are important (Hamill and McGray, 2018). For example, overall it is not enough to address only the drivers of vulnerability, since climate change is so advanced in many areas that other types of adaptation activities are also needed. Likewise, confronting climate-specific impacts alone will not change the drivers of vulnerability. Significantly, this does not mean that all aspects of the continuum are equally important in every setting or that every programme should address all possible activities. Choices must be made for each programming exercise, based not on pre-existing donor agendas but on well-informed analysis of the climate risks and vulnerabilities in the particular setting

Thirdly, a key factor cutting across all aspects of the continuum is that of governance. Adaptation deals with fundamental aspects of society and the economy such as natural resources, production and livelihoods and is therefore deeply political and often contested (Funder et al., 2018; Friis-Hansen, 2018; Lindegaard, 2019). Who decides which interventions to make, and how are democratic debate and inclusion ensured in this decision-making process? Surprisingly this key aspect has often been overlooked in debates about adaptation and in the design of adaptation programmes. As a fundamental aspect of development, the governance dimension again highlights the close links between adaptation and development. Indeed, many of the bottom-up approaches currently being applied to adaptation efforts worldwide draw directly on approaches and techniques from the development field, just as there are numerous lessons to be learnt from development cooperation on how – and how not! – to support national and subnational governance mechanisms.

Figure 3. The adaptation-development continuum



Source: Developed from McGray et al., 2007; Remling and Persson, 2015. Governance dimensions added.

FROM ADD-ON MAINSTREAMING TO INTEGRATED THINKING

Debates on the integration of climate change adaptation with development have tended to focus on the notion of mainstreaming, understood in this context as ‘the integration of information, policies and measures to address climate change into ongoing development planning and decision-making’ (Ayers et al., 2014, p. 38).

The notion of mainstreaming is nothing new to the field of development, and the lessons are by no means always positive. There are numerous examples of how, for example, mainstreaming gender issues has become a superficial tick-box exercise. As will be discussed below, this can also be seen in early efforts to mainstream adaptation into development.

As some critics have rightly pointed out, there is also a risk that mainstreaming becomes a donor-driven exercise that is not anchored in and driven by national and local institutions. This has led to value-based definitions of mainstreaming, such as that described in Box 1.

Discussions in the development policy literature have often approached mainstreaming as a process whereby adaptation issues are simply incorporated into ongoing development programmes and agendas.

Relatively straightforward opportunities to incorporate adaptation activities into existing development portfolios certainly exist. Public- or private-sector engagement in agricultural development, water development, infrastructure, humanitarian

BOX 1. A VALUE-BASED DEFINITION OF ADAPTATION MAINSTREAMING

Mainstreaming should result in the informed inclusion of relevant climate vulnerability concerns into the decisions and institutions that drive national, sectoral, and local development policy, rules, plans, investment and action. This can be achieved in part through development cooperation – and mainstreaming adaptation into donor portfolios would be part of the alignment process – but the target of mainstreaming is national and sub-national level processes, and the key agents of mainstreaming are national and sub-national government and non-government stakeholders.

-Ayers et al. 2014, p41.

assistance, etc. offer obvious potential in this regard and is already happening to some extent. An analysis of already running programmes in the donor portfolios can give an indication of where the best opportunities are.

However, it would be a mistake to assume that entire development portfolios can be made 'adaptation friendly' using quick-fix solutions, for the following reasons:

- Some aspects of adaptation are long-term and transformative. The timeframe of development interventions is often relatively short and subject to the shifting priorities of governments and other actors. This may limit the range of options realistically available and tempt stakeholders to address only adaptation choices that can be achieved in the short run, thereby potentially shifting attention away from fundamental vulnerabilities.
- Adaptation entails 'hitting a moving target', that is, responding to continued change and uncertainty. For this reason, one of the most important goals of adaptation efforts are robust institutional processes and the capacity to respond. This requires substantial efforts to entrench adaptation in institutional landscapes. Any such task will often require a dedicated effort which can be challenging to achieve as part of a broader development effort with multiple aims.
- Connected with this, if climate change adaptation efforts are to be successful, as already noted they need to deal with the governance aspects. Addressing such fundamental questions in the context of, say, a broader agricultural development programme is difficult.

For these reasons, it will not be enough merely to build adaptation activities into ongoing agendas and programming. Instead, the objective must be to work towards a truly integrated approach to mainstreaming, whereby development and adaptation are approached in a comprehensive manner from the outset of programming. Otherwise there is a risk that adaptation remains a nominal add-on and that current concerns about the lack of transparency in linking development and adaptation funding will persist and perhaps even be substantiated.

PRACTICAL STEPS IN INTEGRATED PROGRAMMING

What does such an integrated approach entail for the practical planning of donor-funded programmes? A balance is required between on the one hand ensuring that approaches are effective and do not become mere pro-forma exercises, and on the other hand making sure that they are practical to implement.

The literature and experience so far point to three options, namely:

- clear analysis and identification of the climate risks and vulnerabilities that the programme will help address
- a simple set of criteria that must be met in order for programmes to be approved as adaptation-relevant
- a wider cross-sectoral approach to the integration of adaptation and development

Clear analysis and identification of the climate risks and vulnerabilities that will be addressed

In order to integrate adaptation into development programmes, it is critical to be clear about the specific climate adaptation aspects that need to be addressed. If this not realised, there is a risk that particular climate-specific vulnerabilities and needs will be overlooked, and the programme will then not reasonably have contributed to adaptation. The fact that development and adaptation activities are often very similar is not enough to claim that, for example, a farming project automatically falls under 'adaptation'. The climate-specific aspects of the programme must be understood and addressed as an integral part of the programme from the start.

A sound basis for doing so lies in the problem analysis and identification of objectives, which is already a standard approach in the planning of development programmes. Adaptation must be addressed from the start of this process through well-informed analysis of the climate risks, vulnerabilities and needs of the contexts and populations in question, and how the programme will address this. While this is an obvious task in programmes where adaptation is the main objective, the point here is that it should also be done for relevant programmes that address other sectors and themes.

BOX 2. MAIN STEPS FOR ADAPTATION ANALYSIS

- conduct climate risk and vulnerability assessments as an integrated part of development planning
- assess and address maladaptation and maldevelopment risks (as per figure 2)
- identify gaps and needs in the adaptation continuum, with options for synergies to other development activities (as per figure 3)
- select adaptation options for implementation

Such an analysis is different from climate-proofing, which tends to focus on the impacts of climate change on development activities. Individual tools for conducting the different steps in such an analysis are in most cases available and already applied in adaptation-specific projects as part of the 'adaptation cycle' (Brooks, 2013; Hickel et al., 2013).

A simple set of criteria that must be met for programmes to be approved as adaptation-relevant

Development activities have much to offer adaptation, but given the contested nature of climate financing, it is important to ensure transparency when seeking to mainstream adaptation activities into development. Developing a simple and clear set of criteria that must be met for development activities to incorporate adaptation could be a means to ensure this (IIED, 2013). These criteria could include ensuring:

- That thorough adaptation analysis has been carried out (see above), including giving consideration to context-specific knowledge.
- That strategic choices and activities are in line with national and subnational adaptation NDCs and plans and/or needs identified by civil society, as well as being aligned with other adaptation-related programmes.

- That adaptation governance issues are clearly addressed, outlining how the planned activities fit into existing decision-making processes on adaptation and how vulnerable groups are included in decision-making regarding the activities.
- That there is clear provision for adaptation in the M&E framework. For one option, see Brooks, 2013.
- That there are clear procedures for accountability and mandates for who is responsible for integration within donor organisations and recipient institutions, so that integration avoids 'falling between two stools'.

Taking a broader cross-sectoral approach to integration

If more fundamental aspects of adaptation are to be addressed, such as the long-term institutional development and governance aspects, a broader approach to the integration of adaptation and development will be needed.

Such an approach would entail introducing a broader scale for adaptation than has been the case so far in order to address adaptation across sectors, from health to infrastructure. For instance, the UNFCCC's LDC group advocates a 'whole of society' approach to climate change adaptation, as to resilience more broadly. This represents a shift from a narrow focus on support for technological innovations within particular sectors. The IIED suggests that such an approach would instead entail a focus on:

- experimentation and development of common visions across stakeholder groups
- a greater focus on delivery mechanisms that integrate local and national action and cut across sectors
- an emphasis on building institutions and systems for a long-term response, with commitments beyond short-term project planning (Shakya et al., 2019)

This approach would help movement beyond the conventional scale of sector programmes towards cross-sectoral transformational interventions. Below we discuss the sectoral aspects further in the specific context of Danish development cooperation.



**APPROACHES OF SELECTED
DEVELOPMENT PARTNERS**

This section discusses the overall trends in how development agencies and multilateral climate funds approach the relationship between adaptation and development, with a focus on actors that are relevant to Denmark's development cooperation (hereafter 'development partners').

OVERVIEW OF APPROACHES

So far, most efforts to address the relationship between adaptation and development have taken place at three key junctures in the formal planning processes of development partners:

- In the formulation of policies and strategies that set out overall approaches to adaptation for a particular fund or agency. For example, the Climate Investment Funds (CIFs) have from the outset emphasised mainstreaming as a key approach to adaptation in the Pilot Programmes for Climate Resilience (PPCR). More recently, the World Bank's new Action Plan on Climate Change Adaptation and Resilience states: 'Successful adaptation is not about making incremental or piecemeal investments; rather it is about planning for and doing development differently, systematically taking account of both present day and future risk from the start' (World Bank 2019: 6).
- In the specific procedures and requirements for the design of programmes, projects and proposals. In the early days of supporting climate change adaptation (mid-2000s), this was typically done through the climate screening or 'climate proofing' of development programmes. In recent years, various approaches have been developed that aim to provide more in-depth analyses of the climate rationales of interventions and the climate vulnerabilities being addressed, with the aim of integrating climate vulnerability into development planning (see Note 1). In the case of some climate funds, such as the Green Climate Fund (GCF), there has also been an increasing emphasis on economic analysis of the additionality costs and incremental costs of aiming to separate adaptation from development activities.

- In the tracking and reporting of adaptation activities. This can include M&E requirements, but so far particular attention has been paid to the reporting of climate finance budgets to the OECD and UNFCCC. While the tracking and reporting of adaptation activities has been highly politicised in the context of North/South debates over climate finance, less attention has been paid to the ways in which tracking methods such as the Rio Markers could be used internally by funding organisations as an incentive for staff to internalise adaptation in the planning of development projects more broadly.

Table 1 provides an overview of the ways in which selected Danida development partners (and Danida itself) distinguish between adaptation and development at these three junctures. Overall, development partners apply a considerable variety of approaches, but with a tendency towards convergence on some issues.

OVERALL TRENDS

This section discusses overall trends in the approaches of selected development partners, followed by a brief description of the individual partners in the next section.

Policies and strategies

There is increasing recognition among development partners that adaptation and development are interlinked and should be approached as such. This is positive, as it shows a departure from the previously quite polarised positions between 'climate actors' and 'development actors'. There is also increasing agreement on the importance of a renewed push for the mainstreaming of adaptation into other sectors. Alongside this, there is a growing recognition of the need to consider more integrated approaches to adaptation and disaster risk reduction, in addition to the longstanding debate over linking development with humanitarian efforts.

In developing countries, it is notable that the most recent climate policies and plans exhibit quite integrated approaches, to the extent that some countries now have adaptation policies that appear more comprehensive than those of some climate funds and donors.

Table 1. How selected development partners approach the adaptation/development relationship

	ORGANISATION	POLICY AND STRATEGY	PROGRAMME/ PROPOSAL DESIGN	TRACKING/ REPORTING ¹
Selected countries	Focus on Bangladesh, Ethiopia, Kenya	New generation of policies show strong integrated approach.	Mechanisms for national coordination of programmes in place. <i>De facto</i> integration most effective at subnational levels.	Variety of mechanisms under development, including Rio Markers, MDB principles, UNDP CPEIR budget tagging and domestic systems.
	Green Climate Fund	Increasingly recognises adaptation and development linkages, but retains separation in own funding.	Clear climate rationale required in all new proposals. Adaptation increment must be calculated, only this being funded by default.	Rio Markers 100%.
International climate funds	Climate Investment Funds (PPCR)	Emphasise integration. Funding has strong development focus.	Programme designs must be focused on 'mainstreaming adaptation at national and subnational levels'.	Rio Markers 100%.
	World Bank	Emphasises integration. Funding has strong development focus.	Climate-related project designs must follow a 'three-step process'. Additionality must be documented but is not key for funding.	MDB Common Principles; ² granular approach.
Multilateral organisations	UNDP	Emphasises integration globally. National country emphasis varies.	Guidelines for country programmes on mainstreaming and ecosystem-based adaptation. Emphasis on risk and vulnerability analysis.	Rio Markers.
	CARE	Emphasises strong distinction between climate and development finance at advocacy level.	Working towards increased integration in design at project level.	Modified Rio Markers. Added focus on impacts on the most climate-vulnerable.
NGOs	Dan Church Aid	Emphasises adaptation as integrated part of development and disaster risk reduction.	Adaptation and development will be integrated throughout the project cycle by 2022.	Modified Rio Markers. Added criteria for 'Loss and Damage'.
	DFID	Emphasises strong integration through resilience focus.	Context specific integration of adaptation and development in project design, with input from DFID HQ adaptation experts ³ .	Modified Rio Markers with activity level reporting
Bilateral donors	Danida	Mainstreaming approach established in 2005. Mainstreaming briefly mentioned in Climate Envelope guidelines and 'The World 2030' strategy.	2005 toolkit for climate proofing, 2014 mandatory Green Growth and Climate screening note.	Rio Markers 100/50%. Recent application of a more granular approach in selected areas (CISU, FFU).

1 Percentages reflect how much of a project's budget is reported as adaptation. Two numbers denote % of budget allocated for projects marked Principal and Significant respectively.

2 2019 WB adaptation strategy indicates a shift to a new approach.

3 Prior 'tick box' approach abandoned.

However, differences re-emerge when it comes to how integrated approaches should be addressed in practical strategic terms. First, approaches differ in determining what an integrated approach implies, what the different actors' responsibilities are and what funds are involved. Most notable is the difference between the UNFCCC's financial mechanisms and MDBs' climate funds and associated actors. While the GCF, like other UNFCCC funds, increasingly recognises the links between adaptation and development, it has recently placed extra emphasis on separating adaptation from development costs, funding only the former⁴. The assumption is that development actors can then step in to fund the development components. A key reason behind this approach is the political concern that financial support to climate change adaptation should be additional to the development budget. By contrast, since their initiation in 2008 the CIFs' PPCRs have specifically focused on mainstreaming adaptation into development planning, an approach that is carried forward in the current efforts of the World Bank and other MDBs to sustain the CIFs beyond the 'sunset clause'.⁵ This logic is typically driven by technical arguments and experiences from the development context.

There is increasing recognition among development partners that adaptation and development are interlinked and should be approached as such. This is positive, as it shows a departure from the previously quite polarised positions between 'climate actors' and 'development actors'.

Secondly, while multilateral organisations and climate funds have recently become clearer in their approach to the links between adaptation and development, the issue remains less clear among bilateral agencies. Clearly articulated policies and strategies on the integration of adaptation are often lacking, meaning that funding has to some extent been ad hoc, sometimes addressing adaptation as a separate domain while at other times addressing it in a more integrated manner. This has arguably been the case for Danida's 'climate envelope'. The setting up of dedicated climate-funding mechanisms within bilateral donor portfolios is understandable and provides a number of benefits, but by separating adaptation from conventional development programming, extra care must be taken to ensure that such mechanisms do not end up restraining a fully integrated approach.

4 The board has discretion to fund development costs in some cases, but the criteria for this are unclear.

5 According to which the CIFs should end once the GCF is fully operational.

Thirdly, different actors are still at very different stages in terms of their institutional capacity actually to carry out integrated policies and analyse climate vulnerability as an integral part of development planning. Some organisations, such as the World Bank, have sections with dedicated professional staff who only focus on climate change adaptation, while other organisations have yet to address adaptation in a systematic manner in their programming cycles and human resource allocation. Such differences are significant for the ability to follow through on adaptation approaches. For bilateral agencies like Danida, this also includes the ability to exercise an influence over their funding to multilateral agencies and the climate funds.

Lastly, it should be noted that, despite growing agreement on the need to integrate adaptation with development, more fundamental disagreements on climate financing remain. This can hinder efforts and learning on integration. For example, the highly contested UNFCCC debate on a potential Loss and Damage funding mechanism has led some donors to shy away from engaging with loss and damage discussions altogether. This means that important aspects of integration can be overlooked, such as how social protection policies can address climate-induced loss and damage (Aleksandrova, 2019).

Design criteria for projects and proposals

Initial efforts to address the links between adaptation and development by bilateral donors when designing programmes and projects focused on establishing 'climate-screening' requirements of various kinds. While often well-conceived, their success has been varied, either not being implemented in practice or having become tick-box exercises without substance. There is now a growing emphasis among MDBs, NGOs and some bilateral donors on integrating adaptation more fully at the programme design stage, with clear analyses and links to climate risks and vulnerability.

Based on unsuccessful past experiences, DFID has made a decision to turn away from proforma screening requirements and now applies a devolved contextualised approach where project design teams in the countries in question are expected to consider adaptation and development from an integrated perspective by default. This is supported by adaptation specialists stationed in some embassies and at DFID HQ. Furthermore, adaptation specialists at DFID HQ assess and examine programme designs and proposals to ensure that adaptation has been incorporated into them.

MDBs have had similar experiences, but adoption of the Common Principles for MDBs in 2015 established more thorough principles for climate-related project design. This includes the so-called 'three-step' approach (see Annex 2), which seeks to develop clear climate rationales and analysis of the climate vulnerabilities being addressed. A similar scheme has now been proposed for the GCF. The three-step approach was also incorporated into the OECD's 2016 voluntary guidelines for addressing climate-related projects, but it does not appear to have been widely picked up by bilateral donors. This approach emphasises the importance of clear analyses of the climate risks and vulnerabilities being addressed and is therefore in practice a sound approach. The MDB finance-tracking working group carried out a review of the approach, finding it to be reasonably successful (MDB Climate Finance Tracking Group, 2018). It should be noted, however, that a closer look at MDBs' assessments shows that they are sometimes based on a fairly superficial analysis, drawing on, for example, national statistics rather than conducting a more in-depth situated analysis. This can lead to key needs being missed, including those of the most vulnerable groups.

Danish NGOs are currently taking various steps to incorporate adaptation into their existing portfolios and to move towards fully integrating adaptation and development in future projects. CARE Denmark is experimenting with a variant of the three-step approach in its project designs while also seeking to provide more detailed analyses of the context of climate risks and vulnerability than in the MDB variant.

A common experience noted in evaluations and interviews is that, even where guidelines exist for separating adaptation and development activities and costs, it is often hard to do this in practice. Particular confusion exists around the analysis of additionalities and incremental costs. This highlights the problems of focusing on a strict separation of adaptation and development as a criterion for selecting and funding projects in practice. Instead, there is a need to move away from a detailed 'sorting' of adaptation and development in project and proposal design. This has also been recognised by Danish CSOs, such as CARE Denmark. It distinguishes between the policy and project levels: at the policy level it engages strongly in advocacy to distinguish between support to climate change adaptation and development, while at the project level it is working towards a greater integration of adaptation and development.

Tracking and reporting

The tracking and reporting of climate finance to the UNFCCC and OECD has proved to be a contentious and politicised aspect of the adaptation and development debate. It has also meant that this is one area where all donors have a stipulated procedure for identifying the adaptation component of a funding allocation and intervention. Indeed, in the policy and practice areas, much of the debate on adaptation and development has arguably been driven by the need to identify climate finance in reporting requirements, which has to some extent overshadowed debate and analysis about how the links between adaptation and development should be addressed in practice and what the impacts are on the ground.

As has often been pointed out, the approaches used to track and report climate financing are not uniform. Most bilateral donors and the EU follow the OECD Rio Markers approach. While OECD guidelines exist, they are voluntary. The marking is typically done by the donors themselves (sometimes with external expert assistance, as in the case of Danida), who also determine the corresponding percentages of funding that they report based on whether projects are marked as Principal or Significant. This has resulted in different approaches and raised criticisms that the reporting lacks consistency and transparency. Some studies that have re-examined reports on adaptation financing have pointed out that a significant proportion of it has not been channelled towards actual adaptation, although it should also be noted that several of these exercises have been quantitatively oriented without including an actual examination of project details.

Since 2015 MDBs have applied a different 'granular' approach within the MDB Common Principles, one that only reports the specific adaptation activities of projects that integrate adaptation and development (adaptive co-benefits). The method has been designed with due regard to the contextual nature of adaptation, and it differs from that applied to mitigation, which simply provides a 'positive list' of activities that can be considered mitigation. For this reason, critics of the conventional Rio Marker approach tend to consider the Common Principles and similar granular approaches more transparent in reporting on adaptation finance. Various organisations are currently experimenting with adapted variants of the tracking component of the three-step approach discussed above. For example, CARE Denmark is currently piloting a variant in six countries, applying a highly granular approach.

However, granular approaches are not a panacea. If they are to work in practice, they ideally require a devolved approach, a greater emphasis on following through on M&E during implementation and a certain institutional capacity. A further challenge is that current granular approaches tend to focus on activity costs. However, integrating adaptation into project design may not always incur significant additional costs, meaning they will not be registered. For this reason, the World Bank is currently revising its principles for tracking adaptation finance. In Denmark, the DCA seek to solve the same challenge by registering both the financial cost and the 'number of projects'.

Implementation: the missing link

The main emphasis in discussions and studies of the links between adaptation and development so far have evolved around policy, programme design and tracking/reporting. Relatively little attention has been paid by climate funds and donors to the ways in which relations between adaptation and development are addressed in practice, as well as to how they turn out during actual implementation. This echoes recent OECD findings on environmental mainstreaming, including climate support (OECD 2019). The lack of attention to implementation is unfortunate, partly because projects may simply fail, and partly because learning from real-world experiences is hindered.

While implementation is not the main topic of this report, it is worth noting that the choices made by different development partners differ substantially when it comes to institutional anchoring and associated implementation modalities (Table 2). These choices are linked partly to the approach to adaptation, but they also relate to the mandates and 'room for manoeuvre' of the development partners. For example, while the World Bank and UNDP both support integrated approaches, their institutional partnerships and approaches at the national level often differ.

Table 2. Examples of institutional choices in addressing adaptation

ORGANISATION	APPROACH	MAIN INSTITUTIONAL ANCHORING			
		Ministries of planning/finance	Technical ministries (environment, agriculture etc.)	Local government	Civil society
WB/PPCR Zambia	Integration with development emphasis	X		X	
UNDP/GCF Zambia	Integration with adaptation emphasis		X	X	
CARE ALP Kenya/Ghana	Integration with adaptation emphasis			X	X
Various NGOs in Kenya, Zambia	Varies				X

The effects of such different institutional choices on the outcomes of integrated (and non-integrated) approaches to adaptation lack thorough study. However, broader experiences from the history of development suggest that the involvement of overall planning and finance ministries, together with an emphasis on subsidiarity, is the key to ensuring integration. This is also evident in ongoing DIIS research (Box 3).

APPROACHES OF SELECTED PARTNERS

This section briefly describes the approaches of selected partners that are relevant to Danish development cooperation.

Partner countries (focus on Bangladesh, Ethiopia, Kenya)

National policies and plans on adaptation in Bangladesh, Kenya and Ethiopia and other developing countries show a distinct movement towards increasingly integrated approaches. The first generation of national adaptation plans in the mid- to late 2000s tended to take a relatively separated approach and were sometimes criticized by analysts for being mere project catalogues. The 2009 joint external evaluation of the LDCF found few tangible examples of cross-sectoral mainstreaming. However, the 2015 Paris INDCs placed a greater emphasis on integration (especially those of Kenya and Ethiopia), while the recent generation of national adaptation plans often set out a quite strongly integrated perspective and broad linking of adaptation into development plans, especially in Ethiopia, where the emphasis is explicitly on a 'holistic approach'.

BOX 3. THE PILOT PROGRAMME FOR CLIMATE RESILIENCE IN ZAMBIA

The PPCRs have been the main adaptation effort under the CIFs. Administered by the World Bank, they have been criticised for being a means whereby MDBs can 'capture' adaptation activities and redirect them to the conventional development domain (Seballos and Kreft, 2011). Less attention has been paid to the positive outcomes of the approach used. Ongoing collaborative DIIS research in Zambia shows that, while PPCR implementation in that country has indeed been quite donor-driven, it has also had positive effects in terms of fostering integrated approaches to adaptation and development.

A key emphasis in the PPCRs, both in Zambia and generally, has been on working with ministries of finance and planning, who are positioned to convene and direct the integration of adaptation across sectors. In Zambia this has led to institutional struggles with the agencies traditionally responsible for adaptation, such as the Ministry of the Environment, and the donors who support them (Dupuy et al., 2019). However, the emphasis on a cross-sectoral approach has also led to a degree of success in ensuring the mainstreaming of adaptation into national plans and fostering internal debate within and among ministries on how to address adaptation.

The PPCR has also provided support to adaptation planning at subnational levels. In some areas, this has triggered a process in which local agencies have internalised and developed the cross-sectoral coordination of adaptation and development activities into everyday practice (Funder et al. in preparation, 2019).

Such results are also evident in other PPCR programmes (see Bird et al., 2019, and the CIF 2019 evaluation), suggesting a need to look more closely at PPCR programmes as a learning experience for integrating adaptation and development.

In terms of the coordination of programme development, cross-ministerial bodies and working groups on adaptation exist in several countries, as do dedicated national funds with which donor funds can be pooled (e.g. Bangladesh). In principle, these bodies coordinate and align the design of programmes and projects with broader development goals and across sectors. In practice, adaptation interventions are often driven by a limited number of sectoral ministries and agencies (typically agriculture, water and other natural resource departments). While such ministries are often key to adaptation, they often have a strong sectoral focus and an interest in protecting institutional domains and territories which can significantly constrain holistic approaches. This situation is in many cases aggravated by the multitude of

donor-funded adaptation initiatives in recent years. While in some cases attempts have been made to align these with central planning and finance ministries, many others engage directly with sector ministries. Again this typically involves the agriculture and natural resource sectors, thereby sustaining or even strengthening the separation of adaptation efforts from broader development planning and cross-sectoral coordination nationally or sub-nationally or both.

National policies and plans on adaptation in Bangladesh, Kenya and Ethiopia and other developing countries show a distinct movement towards increasingly integrated approaches.

Nevertheless, there are signs of initial steps towards stronger institutional incentives and pressures for the integration of adaptation into development planning and programming. For example, Kenya's 2016 Climate Act – Africa's first – requires mainstreaming at national and county levels by law. Guidelines have been developed for the integration of climate finance into sector budgeting and planning at both levels, with UNDP support. Emerging evidence from studies of subnational adaptation planning in Zambia and Uganda also suggest that cross-sectoral approaches to adaptation are particularly strong at this level, since the divides between different sectoral agencies, local governments and CSOs tend to be smaller in the everyday context of implementation.

A variety of approaches to tracking and tagging climate adaptation efforts and climate financing are currently being developed in developing countries. These include an absence of tracking, applying the MDB principles (e.g. the Philippines), applying Rio Markers and OECD guidelines (e.g. Kenya) or, most commonly, using individually developed systems (e.g. Bangladesh, Ethiopia, Ghana), which may weight government budget components or programmes in given percentages according to their climate relevance. CARE is currently supporting the development of civil-society tracking in five countries, based on a modified version of the three-step approach.

The Green Climate Fund

A status review of the GCF portfolio up to April 2018 suggested that funded projects were largely similar to those of other climate funds, although with a preference for cross-cutting energy-related projects. Within the funded projects, the GCF has been criticised for retaining a strong distinction between adaptation and development. Recently funded proposals suggest a move to a broader approach, but changes in the funding requirements may reverse this. The GCF's 2018 review of its adaptation activities emphasised that the adaptation and development 'toolboxes' tend to be similar, but also suggested a greater focus on incremental costs. This led to a 2019 decision that proposals with both development and climate objectives must calculate the incremental costs of addressing climate change and that only these costs will be funded by the GCF by default (GCF, 2019: 4). The GCF board has the discretion to add further funding beyond the incremental costs if it finds this relevant.

GCF reporting to the OECD DAC system applies the Rio Markers. The GCF is currently working to strengthen the requirement for climate rationale in proposals in order to provide greater clarity when assessing and tracking links to climate change and vulnerability.

The Climate Investment Funds

The main adaptation funding under the CIFs is channelled through the Pilot Programmes for Climate Resilience (PPCR), established in 2008 and administered by the World Bank. Contrary to the GCF, the PPCRs have from the outset focused directly on mainstreaming adaptation into development planning with a focus on the national and, more recently, subnational levels. PPCR programmes are administered and co-financed through the MDBs, who have typically led programming in partnership with government agencies. While additionality is demonstrated in project documents, in practice this has not been a key requirement in designing programme activities. The focus has instead been on demonstrating the economic benefits of mainstreaming climate adaptation, incorporating resilience into national and subnational development plans, building institutional capacity in this respect and providing devolved funds for subnational adaptation activities.

CIF reporting to the OECD uses the Rio Marker methodology. In principle the Despite the CIF 'sunset clause', introduced with the launch of the GCF, the funds are currently seeking replenishment, and programme activities furthering these activities are being spearheaded by the World Bank in some countries.

The World Bank

World Bank support to mainstreaming climate change has been ongoing since the PRSPs of the 2000s, although initially this tended to focus mainly on short-term climate variability, rather than constituting a systemic approach to long-term climate change. Adaptation financing has to a large extent been provided from a development perspective, often with a focus on ministries of finance and planning, as also reflected in the CIF PPCRs. In 2019 this approach was consolidated further through the adoption of a new strategy for adaptation focused on mainstreaming 'climate risk management' across all sectors and through a whole-of-government programmatic approach. The strategy seeks to help countries 'shift from addressing adaptation as an incremental cost' towards a systemic approach that addresses climate risks throughout policy development and implementation. Emphasis is given to the practical application and scaling up of 'nexus' approaches (e.g. climate-water-food linkages), including cross-agency collaboration.

Since 2015 the World Bank has followed the MDB Common Principles for tracking and reporting on climate adaptation support, which includes requirements in project design for the explicit identification of climate risks, vulnerabilities and adaptation activities within broader development projects. The 2019 strategy signals a departure from parts of this approach in order to improve the capture of various adaptation activities that are currently underrepresented in the tracking. This includes better measures for capturing activities that are low-cost but that can have significant impact, such as support to institutional change and governance arrangements.

The United Nations Development Programme

At the global level the UNDP has supported the mainstreaming of adaptation since the late 2000s and facilitated the development of guidelines on the national integration of adaptation and development planning in a number of countries. The UNDP itself has applied standards for the integration of adaptation into climate change and development programming since 2011, and guidelines exist for country teams to mainstream climate change in national development processes. Key to these guidelines are national and project-specific analyses of risk and vulnerability. In principle the Guidelines for Ecosystem-based Approaches to Climate Change Adaptation and Disaster Risk Reduction, drawn up by the UNEP, have also been incorporated into UNDP programming. These set out a series of steps with which the broader environmental and ecosystem aspects of adaptation can be addressed in development interventions.

UNDP support to tracking and reporting on both adaptation and mitigation has especially centred on the development of guidelines for the Climate Public Expenditure and Institutional Review (CPEIR) system and a Climate Budget Tagging system.

Despite the strong emphasis on mainstreaming globally, the UNDP, like other UN organisations, is bound by its mandates to follow national governments' own institutional frameworks. This has implications, for example, in the selection of key national-level institutional partners for adaptation support. These are typically the Nationally Designated Authorities, who are often ministries of environment rather than higher ranking ministries of planning and finance. In some countries this has limited the extent to which adaptation support is actually integrated across sectors.

CARE Denmark

Based on its experience with support for climate change adaptation through, for example, the Adaptation and Learning Programme (ALP) for Africa, CARE seeks to conceptualise how it can best build the capacity for resilience in the Global South. The CARE approach focuses on five different categories of adaptive capacity: climate-resilient livelihoods, disaster risk reduction, addressing the underlying causes of vulnerability, influencing enabling policy environments and local adaptive and organisational capacity. The approach differs from conventional thinking about development in applying what CARE calls a 'flexible and forward-thinking decisionmaking and governance' approach. The outcome of the analysis is more comprehensive than simply following the money, as it includes an analysis of how adaptation activities relate to the 'asset base' of the beneficiaries and 'flexible and forward-thinking decision-making and governance'.

CARE Denmark initiated a review of its portfolio in 2019/2020 with a view to understanding the extent to which it can be registered as support for climate change adaptation. Inspired by DCA, CARE uses a modified Rio Marker approach. Adding to this approach, CARE seeks to analyse the extent to which adaptation support is beneficial to those most affected by climate change hazards, which, they stress, may not always be the poorest. Most current CARE programmes were designed before the new strategy was adopted. A review in early 2020 intended to align the portfolio with climate change adaptation as a new overall aim.

Dan Church Aid

DCA is currently in the process of integrating concerns for climate change adaptation into the project cycle and further elaborating their methods of assessment and registration. In so doing they are assessing each of their partner countries based on IPCC projections of future climate risks. This means that both climate- and non-climate-related DCA support will take long- and medium-term predictions of changes in rainfall, the risks of flooding, erosion etc. into consideration during planning. That said, some projects supported by DCA, such as de-mining activities, are not deemed relevant for climate adaptation concerns at this point. For the approach to be effective, DCA sees a need to develop a common understanding and capacity among all its national partners if the approach is to be truly internalized. Building institutional ownership of the climate change adaptation agenda among national partners is thus considered a time-consuming but key effort. DCA expects to be ready to implement a new approach by 2022. DCA engages with other NGOs in the Danish civil-society platform 'Globalt Fokus', where a working group is currently developing guidelines on best practices for climate-friendly development assistance related to both adaptation and mitigation.

DCA views the Rio Markers as an inadequate approach to registering support for climate change adaptation. In efforts to comply with the way reporting is carried out to the UN, DCA instead assesses its project portfolio on a yearly basis using an adapted version of the Rio Markers. The head office carries out the assessments with input from the country offices. In addition to the existing Rio categories of adaptation and mitigation, DCA has added a Loss and Damage category that has proved particularly useful for assessing disaster risk reduction activities. The Loss and Damage category is based on the work of the Warsaw International Mechanism (WIM) committee, which was established during the UNFCCC negotiations in 2013 to address issues of loss and damage. With a more science-based approach for these assessments, DCA feels it can determine more clearly whether cyclone damage is climate-related and thus decide how to categorise measures used to address it. During its first assessment DCA found that a narrow focus on funding provided an inadequate understanding of its support to adaptation. It therefore added 'number of projects' as an additional reporting category. This more analytical approach has not made methods of categorising more cost-effective; rather, DCA acknowledges that there is room for improvements to the effectiveness of the approach.

Table 3. Example of DCA registration of its support for climate change (Year: 2017)

	FINANCE	NUMBER OF PROJECTS
Adaptation	16%	28%
Mitigation	3%	7%
Loss and damage	5%	7%

Department for International Development UK

DFID applies an integrated approach to adaptation, and the UK's International Climate Finance budget has directly supported the mainstreaming of adaptation and climate change activities. However, the 2019 report of the House of Commons International Development Committee on climate change highlighted warnings on the way mainstreaming has developed in recent years in the DFID context. Its critique centred on the piecemeal way in which the International Climate Finance (ICF) budget has been used to supplement development projects in order to add a climate aspect. A quote from an IIED researcher captured the essence of the critique:

' We have completely lost the ball. I think that is partly because of the change in the governance of how we run our ICF. The lack of the ambition that is required now means that people can say, 'We are doing some agriculture. Surely that should be climate smart. Let's whack some money in and call it climate finance,' and actually not change the programme fundamentally enough to make a real difference. It is becoming more of a greenwash. '

House of Commons International Development Committee UK aid for combating climate change, Eleventh Report of Session 2017–19, p. 41.

Instead, researchers and civil-society organisations have called for a more thorough approach to mainstreaming which seeks to provide a fundamental shift in development programming towards a de facto integrated approach.

In terms of programme design, DFID has abandoned earlier climate screening and proofing requirements on the basis that they had become 'tick-box' exercises. Instead, climate adaptation and resilience are now incorporated into programme and project design from the outset. There is no mandatory procedure for how to incorporate adaptation, as this may vary from context to context, but design teams in recipient countries are referred to an internal guidance note on how to incorporate adaptation into development planning. This internal guidance draws heavily on OECD and DAC guidance, which follows a four-step approach similar to the MDB's three-step approach. Some DFID country offices have dedicated climate change advisors who provide input on adaptation. Once programme drafts have been prepared, they are screened by climate advisors at DFID HQ to ensure proper analysis and confirm that climate risks and vulnerabilities are addressed. Home Office monitoring also takes place during the pre-pipeline and pipeline stages to ensure that adaptation is integrated into relevant development programming from the earliest planning stages.

In terms of programme design, DFID has abandoned earlier climate screening and proofing requirements on the basis that they had become 'tick-box' exercises. Instead, climate adaptation and resilience are now incorporated into programme and project design from the outset.

In terms of tracking and reporting, DFID applies a modified version of the Rio Marker procedure, with a higher degree of granular tracking and reporting. Project-design teams initially score using Rio Markers, again using the OECD guidance notes. Where marking is Principal, 100% is reported. Where marking is determined as Significant, the percentage is calculated by design teams based on a free sliding scale based on the activities involved. A dedicated monitoring team at DFID HQ assesses this. The monitoring team also 'scrubs' the portfolio and M&E reporting. For example, the team looks at percentages of climate financing in different country programmes and sees if anything sticks out, such as why some countries or programmes show fewer climate activities than others. One challenge is how to classify and report the climate aspect of new forms of engagement, such as the climate relevance and links in humanitarian responses. There is a need for more learning about such situations.

Danida

Mainstreaming of climate change issues in connection with Danish development cooperation goes back to at least 2005, with the adoption of the 'Climate and Development Action Programme' (see Annex 1). Following an initial thrust, the issue of mainstreaming arguably fell somewhat out of focus at the policy level. The 2015 evaluation brought the issue back on to the agenda, although arguably only for a brief period. From 2016 onwards climate change in general fell somewhat off the radar as a focus of Danish development policy. The 2017 official Development Strategy, 'The World in 2030', referred to climate change in relation to resilience, fragility and vulnerability and briefly mentioned the need for mainstreaming. However, it gave limited in-depth attention to climate change, especially adaptation. In 2019 climate funding was increased, and subsequently the Danish parliament agreed to the adoption of a new climate law, which signalled greater attention to international climate commitments, including in development collaboration.

Within the Climate Envelope, the guiding principles refer to the integration of climate issues into regulation and policy, but somewhat briefly. The Envelope's Annual Concept Notes occasionally refer to mainstreaming. The 2005 screening notes provided for analysis of climate risks and vulnerabilities, though these do not appear to have been systematically applied in recent years. The 2014 guidance and screening note on green growth incorporated climate change issues, though at a relatively general level.

Danida follows the Rio Markers for tracking and reporting on adaptation support, whereby interventions are marked as either Principal (where adaptation is the main objective), Significant (where adaptation is a significant objective but not the main aim of the activity) or Not Targeted. Denmark reports 100% of the budget for Principal activities and 50% for Significant. This means that Denmark reports more financing for Significant activities than, for example, the EU, which uses a 100/40 ratio. The marking is undertaken by the person responsible for the programming, typically in the embassy or relevant office in the ministry. 'Cross-cutting' activities are not directly marked as such but can be identified through the simultaneous marking of an activity as both mitigation and adaptation.

Quality assurance is conducted once a year by the responsible Danida staff member and an externally recruited consultant, who examine all climate-marked allocations for the past year. Where errors are found the markers are adjusted. Once consolidated, the results are submitted to the OECD and EU, as well as to the UNFCCC via the national submission and biannual reports (in aggregated numbers).



TRENDS IN DENMARK'S SUPPORT TO CLIMATE CHANGE ADAPTATION

This section examines the nature and focus areas of Denmark's official commitments to adaptation during the period 2013-2017. The aim is to go a step deeper into Denmark's adaptation data than has previously been done in order to provide an indicative analysis of selected patterns in the adaptation portfolio: what types of adaptation support did Denmark actually provide during this period? Some topics, such as the types of countries supported (including LDCs), are at the time of writing being investigated in an evaluation of Denmark's support to climate change adaptation and will therefore not be duplicated here.

The analysis draws on data retrieved from the Ministry of Foreign Affairs. Since the focus is on the substance of what funds have been allocated, the analysis here examines commitments – i.e. what was decided within the period. Although a focus on what has been disbursed would have shown actual funds spent for each year, it would have provided a more muddled picture, as disbursements are sometimes staggered over multiple years and may originate in commitments made several years previously.

It should be noted that the dataset has certain limitations, including the following:

- at the start of the study only parts of the data for 2018 were available. It was therefore decided to omit 2018 from the detailed part of the analysis
- given the limited size of the database, singular large allocations and fund replenishments during or just outside the period may affect the results
- the data are based on how the Ministry has marked the focus on adaptation for each commitment

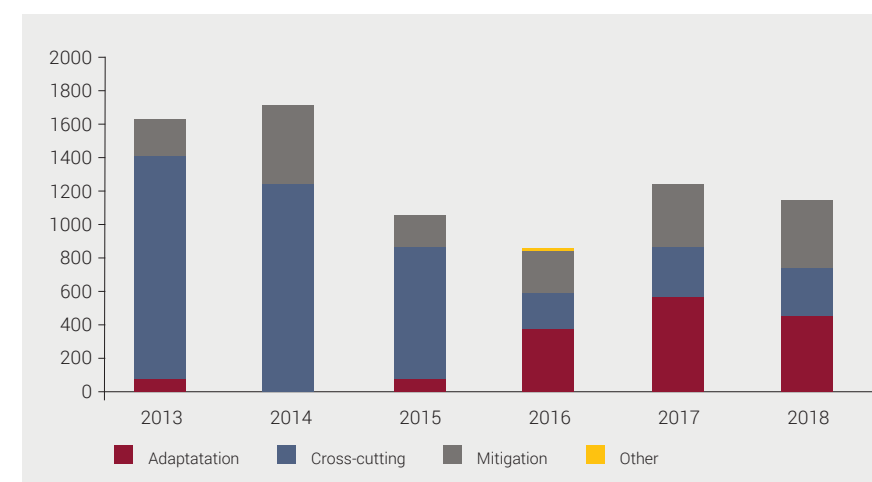
The marking methods are externally validated and have been refined in recent years, allowing some of the discrepancies to be explained through changes in marking practice rather than in respect of which funds are allocated and how. In addition, the practice of marking has generalized funds for NGO support, which are marked en bloc. Other methodological aspects are discussed in the text and in Annex 3.

FUNDING COMMITMENTS AND THE BALANCE BETWEEN MITIGATION AND ADAPTATION

Figure 4 shows Denmark's climate finance commitments from 2013 to 2018. Allowance should be made for the effect of large replenishments in particular years. However, the drop from 2014 onwards is noticeable, with 2018 levels still below the 2014 peak, although commitments are set to rise from 2020 onwards.

Danish commitments to adaptation averaged 21% over the period 2013-2018, with 25% for mitigation and 54% for cross-cutting. For the most recent years, 2017 and 2018, the shares of adaptation commitments were 46 and 40% respectively. This is well above the international average: according to the OECD, in 2017 adaptation represented a little over 20% of bilateral and 27% of multilateral public climate finance to developing countries (OECD 2018a).

Figure 4. Balance of mitigation/adaptation commitments 2013-2018 (DKK millions)



These data draw on Denmark's reporting to the UNFCCC. 'Other' refers to a single unclassified commitment in 2016.

Note that 'cross-cutting' simply implies that a commitment has been given both an adaptation and a mitigation mark and does not necessarily imply a cross-sectoral effort. The initial prevalence and subsequent decline in cross-cutting commitments from 2015 onwards is primarily methodological, that is, it reflects the introduction of a more fine-grained approach in the validation of projects, with stricter assessments of whether projects really were cross-cutting. This exemplifies the significant effect that different approaches to assessing and validating projects can have on climate finance reporting.

Even so, Danish climate financing still has a comparatively strong emphasis on cross-cutting projects. The OECD reported an average of 13% disbursed to cross-cutting climate ODA by bilateral providers in 2017. Multilateral organisations on average report fewer cross-cutting activities, ranging between 4-8% (OECD 2018a). Denmark's cross-cutting disbursements for 2017 were 43%, though they dropped to 32% in 2018.

ADAPTATION AS PRINCIPAL OR SIGNIFICANT COMPONENT

Climate finance commitments are marked using the Rio markers' 'Principal component' or 'Significant component' according to how important mitigation and adaptation activities are to the commitment in question. The data for 2013-15 have gaps here, but Figures 5 and 6 provide an indication of how adaptation commitments were marked during 2016-2017.

It should be pointed out that the amount of funds allocated to a given commitment does not necessarily indicate the scope and extent of the intervention. This is particularly so in livelihood-oriented 'soft' adaptation activities and in support to institutional and governance frameworks. Here efforts are often relatively low in cost compared to large-scale infrastructural interventions.

However, it is worth noting that the weight of adaptation commitments shifts significantly when looking at the number of commitments compared to their amounts. Strategically, this points to a discussion of whether adaptation finance is best spent in a smaller number of large and strongly adaptation-focused efforts or spread across a number of broader interventions as one component among others. We would suggest that a mixture of both is required.

Figure 5. Number of adaptation commitments according to Rio Markers (2016-2017)

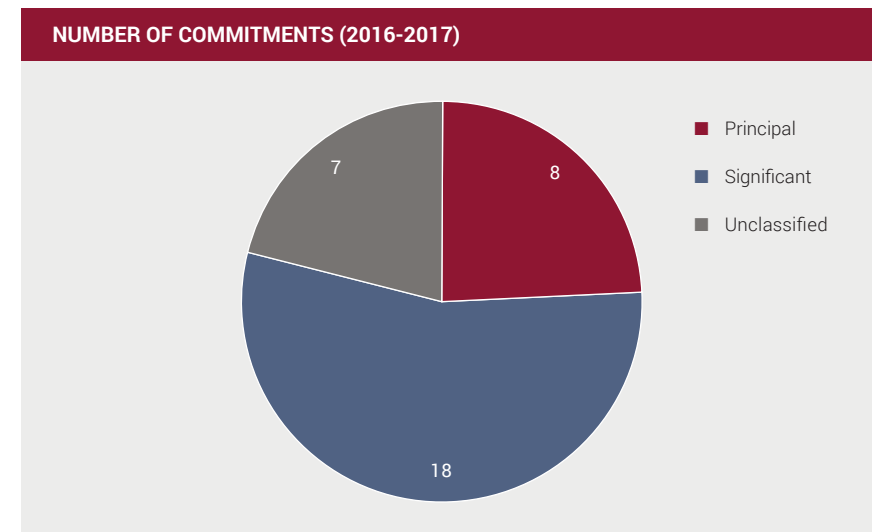
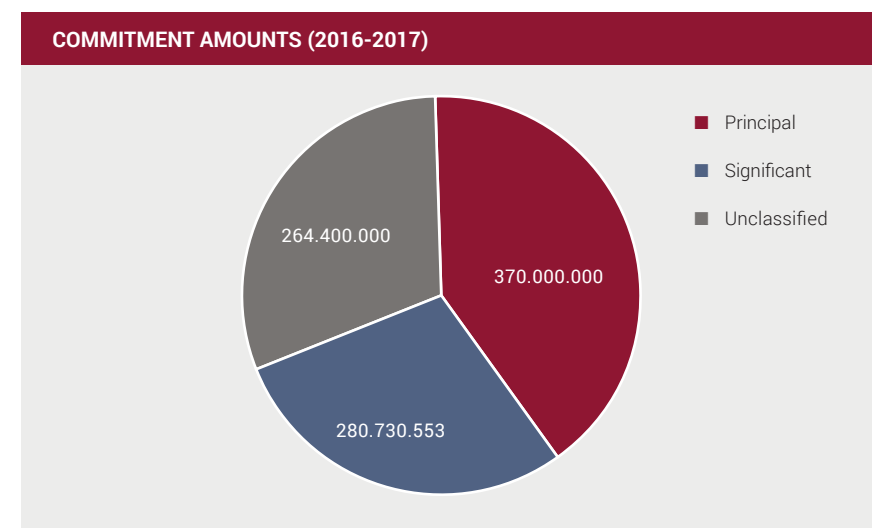


Figure 6. Adaptation commitments according to Rio Markers in DKK (2016-2017)

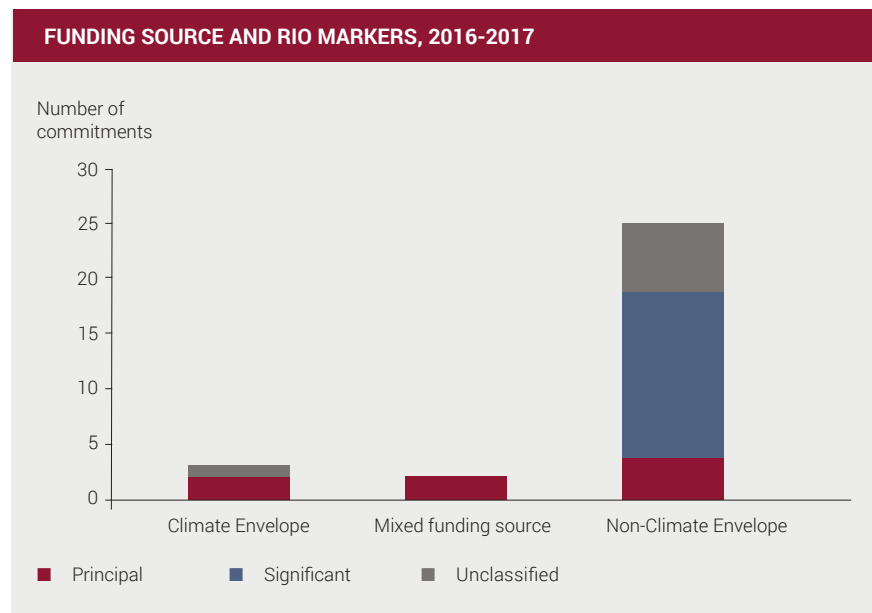


Breakdown of adaptation commitments according to Rio Markers for 2016-17. Rio Markers were not assigned for previous years. 'Unclassified' represents climate ODA directed through multilateral pathways and accounted using the 'imputed multilateral contributions' method.

Indeed, if a major push towards integration is carried out, it is to be expected that commitments marked 'Significant' will increase in number, and possibly also in the relative share of total adaptation funding. This is not necessarily a problem: commitments marked 'Significant' do not necessarily indicate a poorer effort than those marked 'Principal'. Indeed, an increase in the share of commitments marked 'Significant' in the future could be an indicator of successful integration, provided that it reflects the true integration of adaptation into other sector support, and not merely ad hoc add-on adaptation activities or overly optimistic marking practices.

Figure 7 shows that commitments marked 'Significant' all came from outside the Climate Envelope during 2016-2017. This reflects the principles of the Climate Envelope as a dedicated climate-financing instrument and the associated marking of its commitments. This does not mean that the Climate Envelope has ignored mainstreaming: a number of the commitments to multilateral and bilateral activities within the Envelope include some form of direct or indirect mainstreaming efforts.

Figure 7. Number of adaptation commitments according to funding source and Rio Markers (2016-2017)



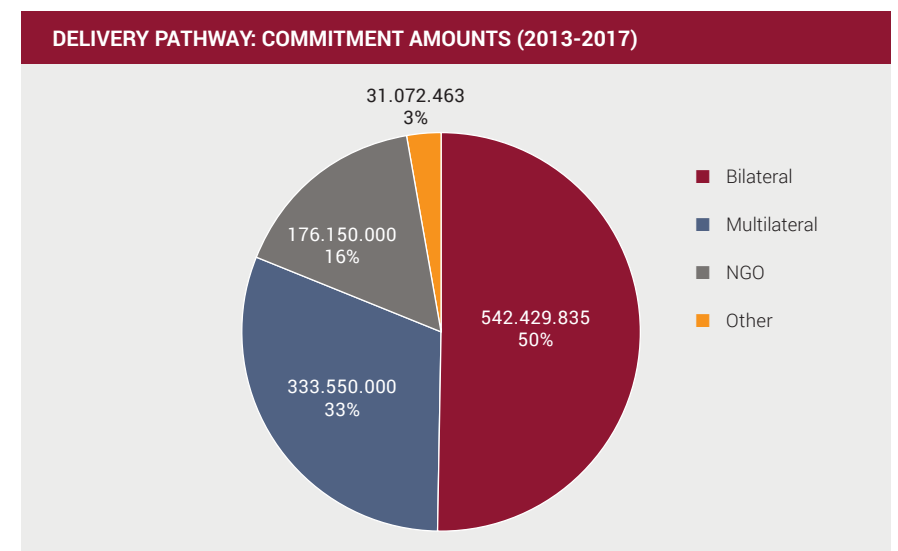
DELIVERY PATHWAYS

Figure 8 identifies the organisations and entities responsible for delivering Danish climate-related ODA during the period 2013-2017. We use 'delivery pathway' to describe the organisation or entity responsible for decision-making, such as programming or project design. This should not be confused with 'delivery channel', which can be used to indicate the implementing agency.

While the pathways are mixed, bilateral adaptation support remains the most significant over the period. Although lower than in Danish ODA generally,⁶ the multilateral share is also significant. It should be noted that some of the support through NGOs arguably does not address climate issues due to an earlier coarser method of marking such funding.

The relative shares of the different pathways are perhaps not surprising, but they have not necessarily been backed up and followed through at a strategic level. For example, there might not be enough staff with climate knowhow to support the bilateral work, nor a clear strategy for how to ensure influence on the multilateral support.

Figure 8. Delivery pathway of adaptation commitments in DKK



⁶ General Danish ODA for 2017 was reported as 59% for bilateral and 41% for multilateral assistance, with the major part of assistance through NGOs reported under the bilateral share. The real share of multilateral support in overall Danish ODA is arguably higher than 41%, since multilateral support to earmarked purposes, as well as in-country funding to multilaterals, is reported as bilateral following OECD principles.

SECTOR FOCUS OF ADAPTATION COMMITMENTS

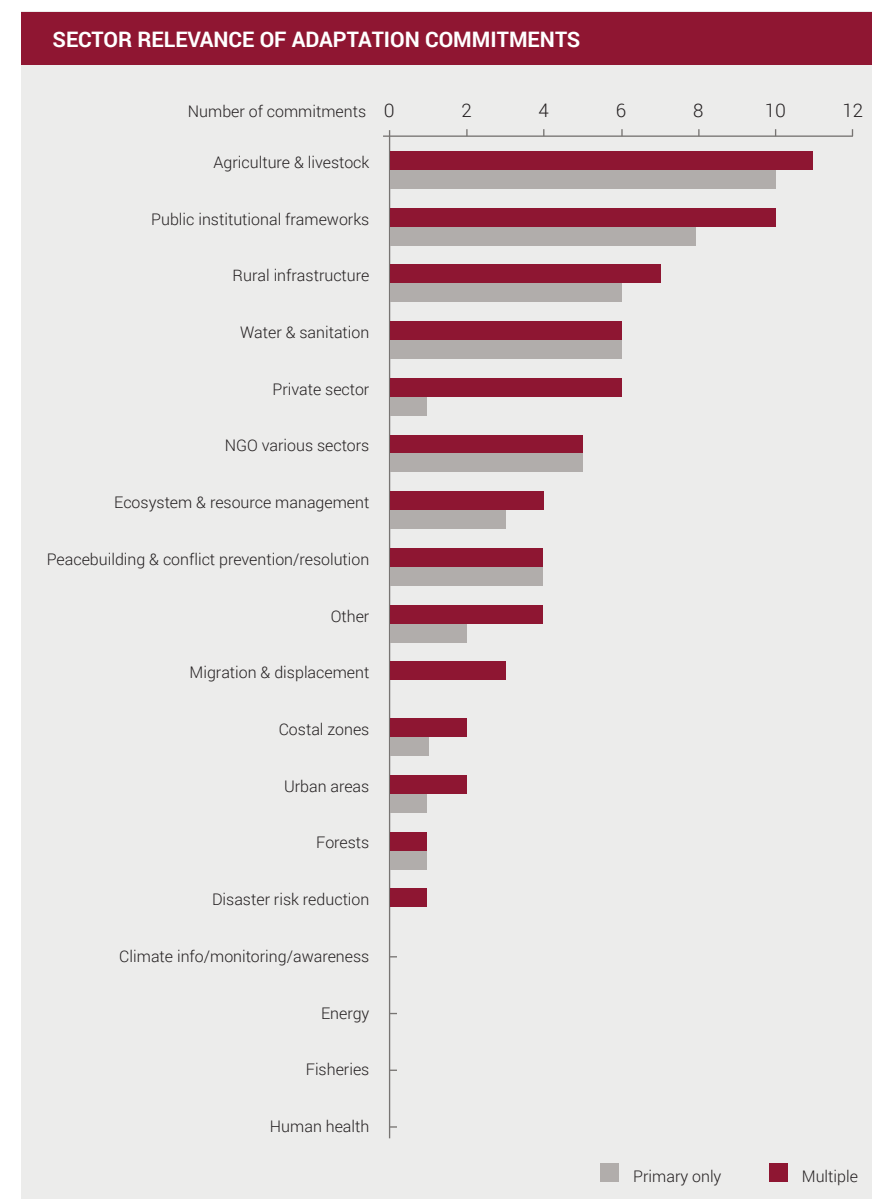
Figure 9 illustrates the sector focus of Denmark's adaptation commitments for 2013-2017 according to the number of projects. Figure 10 focuses on the primary sector of each commitment and shows the distribution by allocated amounts and the delivery pathway.

We use the term 'sector' as shorthand for thematic areas. The classification of sectors was adapted from the IISD's adaptation project categories, which have been used to assess the thematic focus of adaptation efforts at the country and climate-fund levels (IISD 2011, GCF 2018). It should be noted that the classification is based on brief project descriptions in the database. Subcomponents and activities not included in the description, or that are considered merely implicit, have therefore not been captured (e.g. a project on conservation agriculture may implicitly include climate information dissemination activities). Note also that commitments to Danish NGOs have not been distributed across themes but are shown as 'multiple sectors' because the funding of partnership frameworks is recorded en bloc. Background knowledge of the funded NGOs suggests that their themes broadly range across sectors, although with less emphasis on public institutional frameworks.

With due consideration to their limitations, the data for the period indicate that:

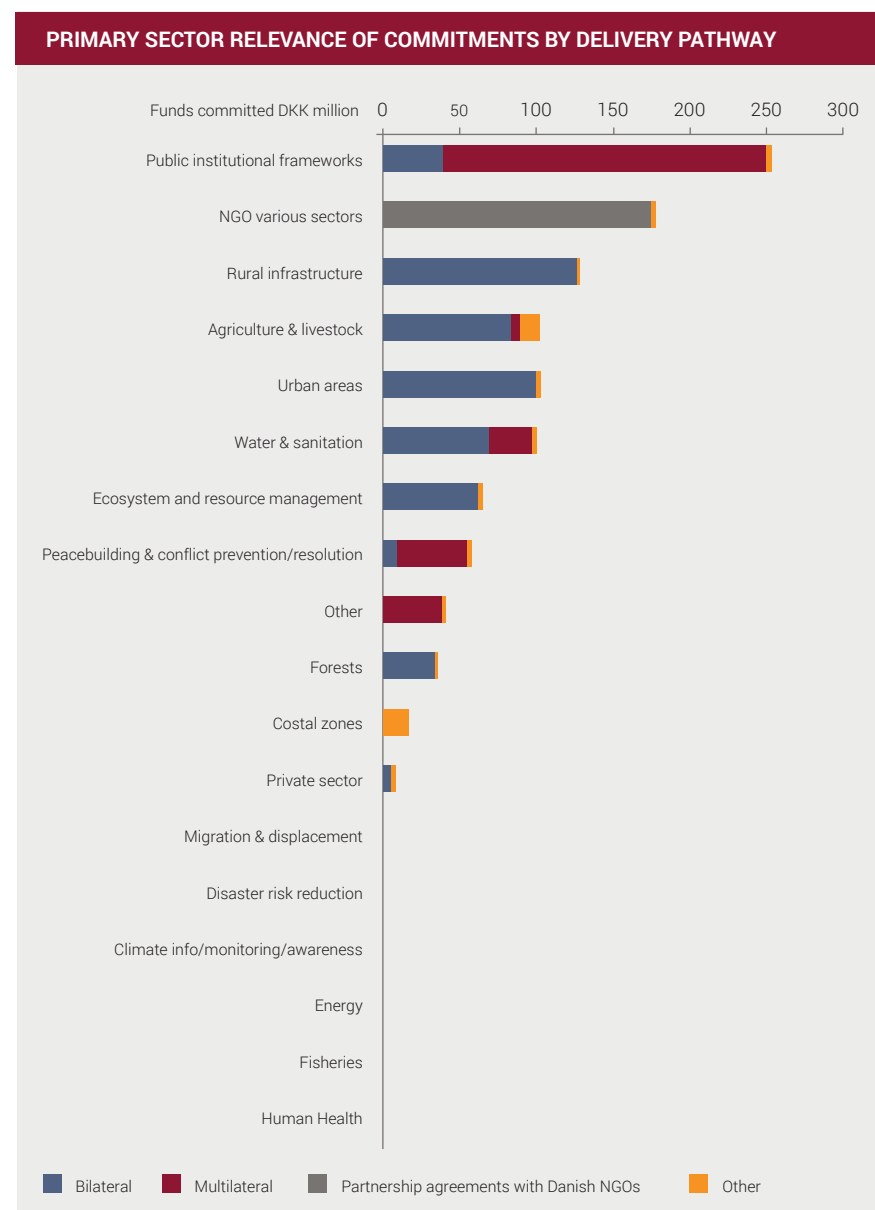
- There was significant support to public institutional frameworks in terms of both number of projects and actual amounts allocated. A large share of this has been provided through multilateral funding (see discussion below), although some additional bilateral support to institutional frameworks may be hidden in the details of particular interventions.
- Traditional adaptation sectors were also strongly represented in the portfolio, e.g. agriculture, rural infrastructure and (to a lesser extent) water. These sectors typically form the backbone of livelihoods and local economies and are obvious areas for support. This focus is also consistent with the focus of many developing countries, as reflected in their NDCs and surveys (see e.g. IISD, 2016). Speaking more cynically, it could be argued that donors, recipient governments and CSOs are particularly attracted to these fields because they have a strong technical dimension and a known 'repertoire of action', making them seem more

Figure 9. Number of adaptation commitments according to sector, 2013-2017



Note that this figure shows the number of commitments. 'Primary only' shows the distribution when each commitment is classified according to a single primary sector focus; 'Multiple' shows the distribution when secondary focus areas (max. 3 per commitment) are added. NGO funding could not be disaggregated so is shown as 'NGO various sectors'

Figure 10. Adaptation commitments by primary sector and delivery pathway in DKK million (2013-2017)



Note that this figure shows funding committed and focuses only on the primary sector of commitments. This is why some sectors appear to differ between figure 9 and 10. NGO funding could not be disaggregated so is shown as 'NGO various sectors'.

straightforward to engage in than more complex and controversial fields. However, it should be noted that support to the agriculture and natural resource management sectors often covers the 'softer' aspects of adaptation (e.g. community-based approaches, inclusion of marginalized groups, alternative livelihoods) and cannot therefore be labelled 'technical' alone.

- Sectors that were and still are high on the broader political agenda during the period received less support through adaptation commitments than one might have expected. Migration and displacement had little support. Peacebuilding and conflict prevention saw some support, though only a limited amount. Private-sector support featured as a secondary theme in some commitments, but few cases had it as their main focus. The limited emphasis on high-profile political issues over the period may be caused by a time lapse while political agendas penetrated through to actual funding commitments and while programmes were being developed. For example, new initiatives on the role of climate change in peacebuilding and conflict have been initiated since the period covered by the dataset. Some political agendas are also simply difficult to address in practice: for example, donors and climate funds widely recognise that engaging the private sector with a convincing business case in adaptation work is far more challenging than in mitigation.

Some otherwise important sectors for adaptation received little support within the adaptation commitments during the period:

- The health aspects are generally considered to be under-supported focal areas in adaptation work, and this also seems to be the case in the Danish commitments for the period. The lack of attention to this area is also evident in the portfolios of the multilateral climate funds (see e.g. comparison between the funds in GCF, 2018). Health is also largely absent from OECD DAC data on general bilateral adaptation support. This may reflect a tendency to associate climate-change impacts with economic sectors and thereby favour these in mainstreaming efforts. Significantly, health has been highlighted as a priority adaptation issue among national governments in developing countries (see e.g. overview in IISD, 2016). Assuming the Covid 19 crisis leads to greater global attention to health-sector support, it seems highly relevant to ensure that adaptation is integrated into such measures.

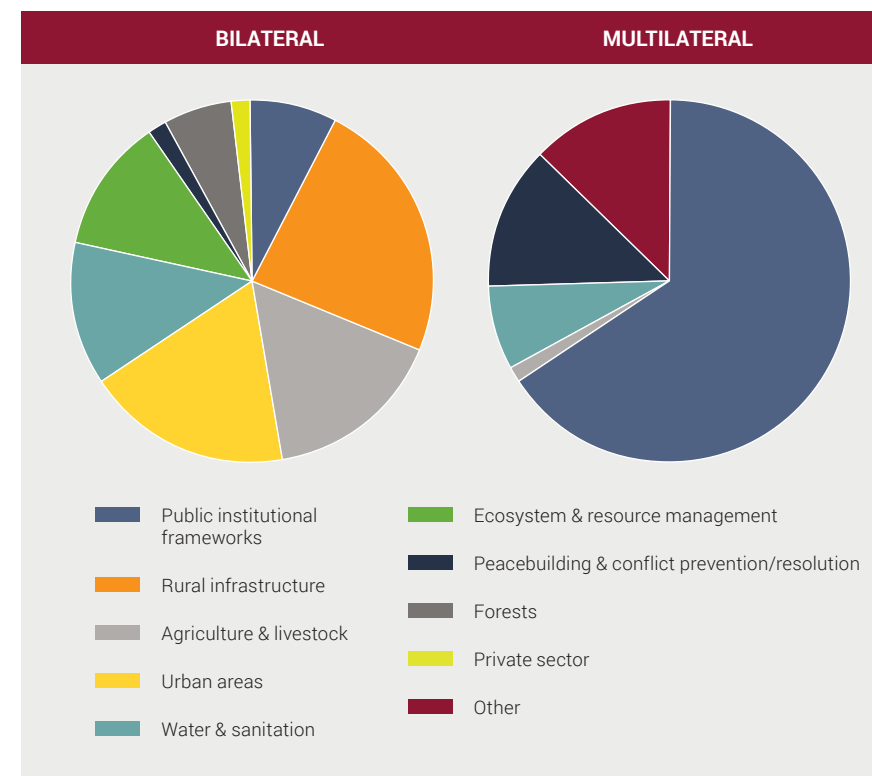
- The data reveal little emphasis on disaster risk reduction, climate information or and awareness in the 2013-17 commitments. This may partly be a data issue: for example, information activities may not be evident in the commitment descriptions used to generate the data. Likewise, some work on disaster risk reduction is carried out within the combined NGO 'multisector' category or else is treated as humanitarian assistance and therefore not marked as adaptation. Even so, there is a notable contrast with the multilateral climate funds, where DRR and climate information are among the most supported activities (see comparison of funds in GCF, 2018, also reflected in OECD data for 2016-17).
- The limited emphasis on forestry and energy may at first seem self-evident, as these are typically associated with and address mitigation activities and will therefore have been marked as such. However, it is worth pointing out that these focal areas are also significant for support to adaptation. Studies show that forest resources very often play a crucial role in adaptation strategies, while energy can be critical for the development of alternative livelihoods and in accessing water, though this is typically covered in dedicated water commitments. While such activities are sometimes treated as cross-cutting 'co-benefits', it would be beneficial to place more emphasis on the role of forests and energy in supporting adaptation specifically.

THEMATIC FOCUS OF BILATERAL AND MULTILATERAL PATHWAYS

How were focal areas addressed by bilateral and multilateral commitments respectively? Perhaps surprisingly, Figure 11 shows that there is a major difference between the sectors that feature in bilateral versus multilateral support for adaptation. While bilateral commitments cover a wide range of sectors, multilateral commitments seem extensively focused on support for public institutional frameworks.

It should be noted that these commitments include support for the capacity development of environmental policy and administrative management, such as that provided through the LDCF. Such capacity development will also be represented in the form of activities in some bilateral programmes, but it is not captured in the dataset. Note also that the data show funding marked as adaptation; multilateral support-marked mitigation or general development is not included.

Figure 11. Principal sectors targeted by bilateral and multilateral commitments (2013-2017)



Nevertheless, the relative high weight placed on public institutional infrastructure in the adaptation portfolio during the period being examined does seem striking. Overall this is positive, as it is a part of what is needed to create transformation. The emerging experience from the CIF-funded PRSP programmes suggests that commitments to multilateral funds and organisations can also help address the integration of adaptation and development in at least some cases. However, the data do not indicate whether there is a focus on the most appropriate levels according to the principle of subsidiarity. It also does not shed light on the fundamental governance questions: Who gets to decide what kind of adaptation is required, and how? These areas require more in-depth research than is possible here, but they raise strategic questions worth considering. For example, if governance and institutional change are the key to bringing about transformative adaptation, what are the comparative advantages and disadvantages of bilateral and multilateral funding?



**IMPLICATIONS FOR DANISH SUPPORT
TO CLIMATE CHANGE ADAPTATION**

This section discusses the implications of the study and concludes with a set of overall recommendations for support to adaptation in Danish development cooperation.

DISCUSSION OF IMPLICATIONS

Towards the end of the period being examined, Denmark achieved a balance between adaptation and mitigation funding, and directed a higher share of its climate change funding towards adaptation than the average of other donors. This is a positive development. However, Denmark's total climate financing has fluctuated during the period, and adaptation has not always been high on the policy agenda. Moreover, as it becomes increasingly likely that the world will fail to meet the 1.5- and possibly also 2-degree goal, the need for adaptation efforts will continue to increase if the SDGs are to be achieved.

A recent analysis of the evaluations of Denmark's development assistance in four countries suggests that bilateral assistance can achieve positive outcomes for mainstreaming environmental agendas, including climate change.

It is therefore necessary not only to sustain but also to expand the work on adaptation. In so doing there is a need for a more strategic approach and for a concerted push to integrate adaptation across the portfolio (see Note 2). In so doing it is worth keeping in mind the experience of mainstreaming from the UK International Climate Finance budget, which has been criticised as providing merely a 'green-washing' add-on to existing sector support (House of Commons, 2019). A more fully integrated approach requires a dedicated effort and staff capacity, as well as a clear analysis of the vulnerabilities and climate risks.

Bilateral support made up half of Danish support to adaptation during the period being examined. This seems a sensible balance, and replacing bilateral with further multilateral channelling of adaptation support is not recommended. The mainstreaming of climate support has been on the agenda for a number of years, and its results have not always been very convincing. However, this is a global phenomenon and not a particular feature of bilateral support. A recent analysis of

the evaluations of Denmark's development assistance in four countries suggests that bilateral assistance can achieve positive outcomes for mainstreaming environmental agendas, including climate change (Webster et al., 2018). Though not without its problems, the approach employed in these countries included aligning with partner priorities and taking a 'flexible and opportunity-driven Danish programmatic sector approach, focusing on locally identified problems and facilitating engagement with a broad group of stakeholders.' (Webster et al., 2018: 34ff.). In all cases Denmark took a leading role among donors on the issue.

The support provided through multilateral channels during the period had a notably different composition than the bilateral funding, with an emphasis on support to public institutional frameworks. Although the latter category includes a range of institutionally related activities, the emphasis on institutional frameworks is overall positive as a prerequisite for transformational change. Taking this further, it is worth noting that recognition of the importance of adaptation has recently surged among multilateral organisations especially, providing opportunities for a joint effort. However, the various approaches that multilateral organisations and funds take to adaptation can be quite different, with implications for both the integration and decentralisation of adaptation financing. It is therefore worth considering which multilateral entities are most closely aligned with Denmark's adaptation priorities.

There is a need for a more strategic approach and for a concerted push to integrate adaptation across the portfolio.

In terms of the sectoral focus, it should be kept in mind that new activities have been initiated in some sectors since the end of the dataset studied here, and clearly Denmark cannot address everything. As the range of sectors and topics for possible adaptation support expands, choices will be necessary in terms of both general adaptation support and the integration of adaptation and development specifically. Critically, identification of these choices requires engagement with the priorities and NDCs of developing countries as a first step.

Denmark's commitments during the period being examined here showed an emphasis on public institutional frameworks and – especially in its bilateral support – 'traditional' adaptation sectors such as agriculture and water. These are core sectors when it comes to reducing vulnerability and facilitating transformation, and

they should continue to be treated as priority areas. However, a greater emphasis on systemic thinking is required. For example, the work on agriculture, water and infrastructure could be complemented with a stronger focus on integrating adaptation with ecosystem- and resource management, including links to the parallel biodiversity crisis. Likewise, greater attention to the adaptation aspects of forestry and energy could be linked to parallel mitigation efforts. In all these areas, Denmark should be a champion of pro-poor approaches in the integration of adaptation and development.

Taking this further, there is a need to engage more in at least some of the sectors that have not conventionally been seen as adaptation-related. The limited attention to climate impacts on health (changing disease patterns, food security etc.) merits more attention and can draw on Denmark's long experience in that sector. Other sectors have received more attention, but they are still relatively 'new' in terms of how they should in fact be addressed and linked to adaptation. In recent years Denmark's overall development policy has increasingly been focused on peacebuilding and conflict, migration and displacement and private-sector development. While these areas were not strongly reflected in the adaptation commitments for the period being examined, activities are now underway and will most likely become more prominent in the years to come.

In developing these areas, two things are key. First, rather than being driven by Danish foreign-policy interests alone, they should be built on de facto interests and priorities in developing countries. Second, support to these areas must be thoroughly driven by analysis and practical experience rather than by assumptions. For example, the links between climate vulnerability, conflict and mobility are often quite different on the ground from what they are assumed to be in public debates. Likewise, better empirical evidence is needed on practical options for and the impacts of private-sector support to adaptation.

Fundamentally, the integration of adaptation and development is not a technical exercise or a goal in itself, but a step towards achieving transformation. This requires a greater emphasis on the governance aspects of adaptation, that is, on the decision-making around adaptation as it becomes mainstreamed across society. While the significant level of support given to public institutional frameworks during the period being examined is positive, there is also a risk that the integration of adaptation into policies, sector plans and national budgets becomes a top-down technocratic process, which embeds rather than transforms existing institutions

and practices. To avoid this requires paying attention to how the principle of subsidiarity can be observed, how civil society in developing countries can be engaged in the process of integrating adaptation and development, and how democratic decision-making around adaptation choices both within and across sectors can be facilitated.

It is likely that the Covid 19 crisis will lead to a greater emphasis on health-sector support and the reconstruction of affected economies, and here the integration of adaptation concerns will be an obvious opportunity for joined-up thinking on resilience.

OVERALL RECOMMENDATIONS

Based on the study, the report makes the following recommendations for future Danish support to climate change adaptation:

- Denmark should make climate change a key aim of its development cooperation and should leverage it from a technical subfield to a primary objective alongside poverty alleviation, export interests, security and mitigation.
- A clear strategy for Danish support to climate change should be developed. The strategy should be reflected in both the overall strategic framework for Danish development cooperation and a specific strategy which provides a tangible means for steering adaptation support. The strategy should have an equally balanced focus on adaptation and mitigation and should clearly emphasise an integrated approach to adaptation both within and outside the climate envelope. The strategy should build on and expand the initial efforts at mainstreaming from 2005 onwards, including the Guiding Principles for the Danish Climate Envelope.

- Adaptation should be addressed and factored into development support across sectors. Not all development is adaptation, but all good adaptation is development. While adaptation is already being addressed and reported on in some of the more obvious bilateral programmes (e.g. water and agriculture), it should also be addressed in, for example, health, private-sector support, employment, peace, migration and governance. It is likely that the Covid 19 crisis will lead to a greater emphasis on health-sector support and the reconstruction of affected economies, and here the integration of adaptation concerns will be an obvious opportunity for joined-up thinking on resilience. As highlighted by the recent experiences of some other donors, such integration should be ambitious rather than merely 'add-on' mainstreaming.
- Denmark should provide policy-level support to recipient countries on integrated approaches to adaptation as a means to facilitate the sound implementation of NDCs and the increasingly integrated adaptation policies of developing countries.
- Denmark should increase the human resources it devotes to climate change adaptation in Danida. This is a key lesson from other donors and is critical to ensuring that the integration of adaptation can be done in practice. This will also help improve liaison with the MDBs that are quickly emerging as the absolute leaders of global adaptation financing, and to which Denmark contributes. During our study, both bilateral and multilateral donors expressed a concern that Danida staff cutbacks had affected the opportunities for mutual engagement.
- The Aid Management Guidelines should be updated to address the integration of adaptation more fully. The key to ensuring that adaptation is de facto addressed in integrated interventions lies in well-informed analyses of climate-related risks and vulnerabilities during the design phase. Efforts by some organisations to document additionality are unnecessary and will only complicate matters. It is time to move beyond artificial distinctions between adaptation and development.

- Tracking and reporting on adaptation finance is necessary to document compliance with conventions and satisfy concerns over double accounting, etc. A fully granular approach would ideally be preferable but requires a great deal of time and human resources, which may be better spent on ensuring that design and implementation (including M&E) are properly integrated. Continuation of the current Rio Marker system, possibly coupled with a semi-granular approach in selected areas and learning from current advances within the three-step approach, therefore seems the most realistic option at the present time.

REFERENCES

Act Alliance (2018). **An analysis of the Climate Finance Reporting of the European Union.** Act, April 2018.

Action Aid (2016). *Resilience Handbook: A Guide to Integrated Resilience Programming.* Action Aid International.

Adaptation Watch (2017). **Towards Implementation: The 2017 Adaptation Watch Report.** Eds. Kevin Adams and Danielle Falzon.

Appelt, J. and Hans Peter Dejgaard (2017). **Analysis of Danish climate finance.** Study for DanChurchAid, CARE Denmark and Oxfam IBIS.

Ayers, J., Huq, S., Wright, H., Faisal, A. M., and Hussain, S. T. (2014). Mainstreaming climate change adaptation into development in Bangladesh. **Climate and Development, 6**(4), 293-305.

Bird, N. et al. (2019). Transformational change in the **Climate Investment Funds: a synthesis of the evidence.** Neil Bird, Yue Cao and Adriana Quevedo. Overseas Development Institute.

Brooks, N. (2013). **An operational framework for Tracking Adaptation and Measuring Development.** Retrieved from IIED: Church, C. and Anne Hammill (2019) **Defining Adaptation and Distinguishing it from other Development Investments.** IISD.

Buchner et al. (2019). **Global Landscape of Climate Finance 2019.** Climate Policy Initiative.

Climate Investment Funds (2017). **PPCR Operations and Results Report.**

Climate Investment Funds (2019). **Transformational Change in the Climate Investment Funds.**

Conevska, A. and J. Ford and A. Lesnikowski (2019). **Assessing the adaptation fund's responsiveness to developing country's needs.** Climate and Development.

Danida (2005). **Danish Climate and Development Action Programme: A Toolkit for Climate Proofing Danish Development Cooperation.** Danish Ministry of Foreign Affairs

Danida (2009). **Evaluation of the operation of the Least Developed Countries Fund for adaptation to climate change.** Danish Ministry of Foreign Affairs.

Danida (2014). **Green Growth Guidance Note.** Danish Ministry of Foreign Affairs.

Danida (2016). **Guiding Principles for the Danish Climate Envelope.** Danish Ministry of Foreign Affairs.

Dejgaard, H.P. and Hattle, A. (2020). Funding what counts: assessment of channels for increasing Norwegian climate finance. Study for Norwegian Church Aid, Rainforest Foundation Norway, Friends of the Earth Norway, Caritas Norway, the Development Fund and the Norwegian Forum for Development and Environment.

De Roeck, F., Orbie, J., and Delputte, S. (2018). Mainstreaming climate change adaptation into the European Union's development assistance. **Environmental Science and Policy, 81,** 36-45.

Development Initiatives (2019). **Tracking subnational government investments in climate change mitigation and adaptation in Kenya: progress, opportunities and challenges.** Development Initiatives.

Dupuy, Kendra; Sambo, P.T., Funder, M., Chama, E. (2019). **Coordinating Climate Finance: Lessons from Zambia.** PRIO Policy Briefs, 2019.

Dzebo, A., and Asselt, H. v. (2015). Mainstreaming climate change into Danish development cooperation: Shifting towards green growth. Retrieved from the Nordic Centre of Excellence for Strategic Adaptation Research.

Ensor, J. (2011). *Uncertain Futures: Adapting Development to a Changing Climate.* Practical Action.

Eshetu, Z. and Belay Simane, Gebeyehu Tebeje, Workneh Negatu, Aklilu Amsalu, Abeje Berhanu, Neil Bird, Bryn Welham and Nella Canales Trujillo (2014). **Climate finance in Ethiopia.** Overseas Development Institute.

EU (2016). **Integrating the environment and climate change into EU international cooperation and development: towards sustainable development.**

Friis-Hansen, E. (ed., 2017). **Decentralized Governance of Adaptation to Climate Change in Africa.** CABI, Oxford.

Funder, M., Dupuy, K. (in preparation). **Climate finance coordination from the global to the local: politics, practices and agency in Zambia's Pilot Programme for Climate Resilience.**

Funder, M., Mweemba, C., and Nyambe, I. (2018). The politics of climate change adaptation in development: authority, resource control and state intervention in rural Zambia. **Journal of Development Studies, 54**(1), 30-46.

Government of Ethiopia (2011). **Ethiopia's Climate- Resilient Green Economy Strategy.** Federal Democratic Republic of Ethiopia.

Government of Ethiopia (2019). **Ethiopia's Climate Resilient Green Economy National Adaptation Plan.** Federal Democratic Republic of Ethiopia.

Government of Kenya (2018). **National Climate Change Action Plan 2018-2022.** Ministry of Environment and Forestry, Nairobi, Kenya.

Green Climate Fund (2018). **Approach and scope for providing support to adaptation activities.**

Green Climate Fund (2018). **Approach and scope for providing support to adaptation activities.** Meeting of the Board, 17 – 20 October 2018, GCF/B.21/Inf.03.

Green Climate Fund (2019a). **Forward-Looking Performance Review of the Green Climate Fund.**

Green Climate Fund (2019b). **Turning Ambition into Action: How GCF catalyses transformational change.**

GTZ (2011). **Integrating climate change adaptation into development planning: a practice-oriented training.**

Gupta, J. (2009). Climate change and development cooperation: trends and questions. **Current Opinion in Environmental Sustainability**, 1(2), 207–213

Hammill, A., and McGray, H. (2018). **Is it Adaptation or Development? Revisiting the Continuum 10 years later.** IISD.

Hickel, J., Bharwani, S., Bisaro, A., Carter, T. R., Cull, T., Davis, M., Klein, R. J., Lonsdale, K., Rosentrater, L., and Vincent, K. (2013). **PROVIA guidance on assessing vulnerability, impacts and adaptation to climate change: consultation document.** United Nations Environment Programme.

House of Commons International Development Committee (2019). **UK aid for combating climate change.** Eleventh Report of Session 2017–19. House of Commons, UK.

IIED (2013). **TAMD Climate Change Indicator: Methodological Note. Indicator 1: Climate Change Integration into Planning.** IIED, London.

IPCC (2019). Climate Change and Land. IPCC Special Report. Intergovernmental Panel on Climate Change.

IPCC (2019). Global warming of 1.5°C. IPCC Special Report 15. Intergovernmental Panel on Climate Change.

IPCC (2014). Impacts, Adaptation, and Vulnerability. Fifth Assessment Report of the Intergovernmental Panel on Climate Change. Especially pp. 869-898.

IISD (2011). **Review of Current and Planned Adaptation Action: East Africa** (also other regions). IISD/ Adaptation Partnership.

IISD (2016). **Trends in Adaptation Planning: Observations from a recent stock-taking review.** IISD Briefing Note.

Lebel, L., Li, L., Krittasudthacheewa, C., Juntopas, M., Vijitpan, T., Uchiyama, T., and Krawanchid, D. (2012). Mainstreaming climate change adaptation into development planning. **Bangkok: Adaptation Knowledge Platform and Stockholm Environment Institute.**

Lindgaard, L. S. (2019). Lessons from climate-related planned relocations: the case of Vietnam. **Climate and Development**, 1-10.

Lindgaard, L.S. and Funder, M. (2017) **How climate resettlement can work for communities: climate change and planned relocation.** DIIS Policy Brief. Danish Institute for International Studies.

Mariya Aleksandrova (2019). Principles and considerations for mainstreaming climate change risk into national social protection frameworks in developing countries, **Climate and Development**, July 2019

McGray, H., Hammill, A., Bradley, R., Schipper, L., and Parry, J.-E. (2007). **Weathering the storm: options for framing adaptation and development.** World Resources Institute Washington, DC.

MDB Climate Finance Tracking Group (2018). **Lessons Learned from Three Years of Implementing the MDB-IDFC Common Principles for Climate Change Adaptation Finance Tracking.**

MDB Group (2018a). Joint Report on the Multilateral Development Banks' Climate Finance.

MDB Group (2018b). **Lessons learned from three years of implementing the MDF-IFC Common principles for Climate Change Adaptation Finance Tracking.** MDB Climate Finance Tracking Group.

Michaelowa, Axel; Michaelowa, Katharina (2011). Coding Error or Statistical Embellishment? The Political Economy of Reporting Climate **Aid.** **World Development**, 39(11).

Mogelgaard, K., Dinshaw, A., Ginoya, N., Gutiérrez, M., Preethan, P., and Waslander, J. (2018). **From Planning to Action: Mainstreaming Climate Change Adaptation Into Development.** World Resources Institute.

Naess, L. O., Jalloh, A., Faye, M. D., Njoya, A., and Roy-Macauley, H. (2014). Synthesis of Findings and Assessment of Gaps in Research and Policy: Urban Areas, Agriculture and Health. **Working Paper/Future Agricultures**; 105.

NAP Global Network (2019). **Kenya's Monitoring and Evaluation of Adaptation: Simplified, integrated, multilevel.**

Nordstar (2016). **Mainstreaming climate change into Danish development cooperation: shifting towards green growth.**

OECD (2009) **Integrating Climate Change Adaptation into Development Co-operation: Policy Guidance.**

OECD (2018a). **Climate finance from developed to developing countries: 2013-17 public flows.** OECD Publishing.

OECD (2018b). Climate Related Development Finance data: <http://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/climate-change.htm>

OECD (2019). **Greening Development Co-operation: Lessons from the OECD Development Assistance Committee.** OECD Publishing, Paris.

Olhoff, A. and C. Schaer (2010). **Screening Tools and Guidelines to Support the Mainstreaming of Climate Change Adaptation into Development Assistance: A Stocktaking Report.** UNDP: New York.

Remling, E., and Persson, Å. (2015). Who is adaptation for? Vulnerability and adaptation benefits in proposals approved by the UNFCCC Adaptation Fund. **Climate and Development**, 7(1), 16-34.

Romain Weikmans and J. Timmons Roberts (2017). The international climate finance accounting muddle: is there hope on the horizon? **Climate and Development**, December 2017.

Rozenberg, J.; Hallegatte, S. (2015). **The Impacts of Climate Change on Poverty in 2030 and the Potential from Rapid, Inclusive, and Climate-Informed Development**. Policy Research Working Paper 7483, World Bank.

Runhaar, H., Wilk, B., Persson, Å., Uittenbroek, C., and Wamsler, C. (2018). Mainstreaming climate adaptation: taking stock of 'what works' from empirical research worldwide. **Regional Environmental Change**, 18(4), 1201-1210.

Schipper, E. L. F. (2007). **Climate change adaptation and development: exploring the linkages**. Tyndall Centre for Climate Change Research Working Paper, 107, 13.

Seballos, F. and Sönke Kreft (2011). Towards an Understanding of the Political Economy of the PPCR. **IDS Bulletin**, Volume 42, Number 3.

Shakya, C.; Soanes, M.; Smith, B. (2019). **Calling for business unusual: reforming climate finance**. IIED Briefing Paper, IIED.

Sherman, M., Berrang Ford, L., Lwasa, S., Ford, J., Namanya, D. B., Llanos Cuentas, A., Maillet, M., Harper, S., and Team, I. R. (2016). Drawing the line between adaptation and development: a systematic literature review of planned adaptation in developing countries. **Wiley Interdisciplinary Reviews: Climate Change**, 7(5), 707-726.

UN (2019). The Sustainable Development Goals Report 2019, United Nations, New York.

UNDP (2010). **Designing Climate Change Adaptation Initiatives: A UNDP Toolkit for Practitioners**.

UNDP (2012). **Mainstreaming Climate Change in National Development Processes and UN Country Programming: A guide to assist UN Country Teams in integrating climate change risks and opportunities**.

UNDP (2015). **A methodological guidebook: Climate Public Expenditure and Institutional Review (CPEIR)**.

UNDP (2018). **Knowing what you spend: A guidance note for Governments to track climate finance in their budgets**.

UNEP (2018). **Draft Guidelines for Ecosystem-based Approaches to Climate Change Adaptation and Disaster Risk Reduction**.

UNESCO (2019). Special edition: progress towards the Sustainable Development Goals. Report of the Secretary-General. United Nations Economic and Social Council, New York.

Webster, N.; Winckler, O.; Fejerskov, A. (2018) **Danish Development Cooperation with Bolivia, Mozambique, Nepal and Vietnam: an analysis across four country evaluations**. DIIS Report. Danish Institute for International Studies.

World Bank (2019). **The World Bank Group's Action Plan on Climate Change Adaptation and Resilience**.

Zamudio, A. N. and Parry, J. (2016). **Review of Current and Planned Adaptation Action in Bangladesh**. CARIIAA Working Paper no. 6. International Development Research Centre, Ottawa.

ANNEX 1. SELECTED KEY EVENTS AND STATEMENTS on adaptation mainstreaming in Danish development cooperation

Table 4. Selected key events and statements on mainstreaming of adaptation related to Denmark's development assistance, 2005-2017

Year	Event	Selected quote/notes
2005	Adoption of the 'Climate and Development Action Programme', which provided a toolkit for 'climate proofing' Danish development cooperation.	'Mainstreaming climate change issues into development planning and implementation implies that climate change should be integrated into existing policies and strategies . Therefore, parallel structures for handling climate change should be avoided, e.g. National Adaptation Programmes of Action shall be integrated in overall development policies and strategies of the partner country'. Climate and Development Action Programme, 2005: 27-28.
2005-2008	Climate change screening reports prepared for seventeen partner countries, outlining the risks for Danish support, as well as each country's vulnerability to climate impacts, its mitigation opportunities and relevant planned policies.	Some reports included the identification of adaptation options to be integrated into existing sector programmes . E.g. Bangladesh's report identified (i) present adaptation measures, (ii) options available within the scope of the present project, and (iii) options available outside the scope of the present project.
2008	Establishment of the Danish Climate Envelope, with broad principles outlined in Finansloven.	'Partierne vil styrke klimainsatsen i udviklingslandene. Der oprettes derfor en klimapulje indenfor udviklingsbistanden. Klimapuljen skal blandt andet bruges til at finansiere bidrag til aktiviteter, der bistår ikke mindst de fattigste udviklingslande med at forebygge og tilpasse sig menneskeskabte klimaforandringer'. Finanslov, 2008: 41.
2009	Danida supported the 'Joint Evaluation of the LDCF: Operations of the LDCF for Adaptation to Climate Change'.	'Implementation of NAPAs could be treated as piloting ways of (a) mainstreaming by both getting climate change adaptation priorities into sectoral planning through the generation of high level rather than more local scale policy developments, (b) the elaboration of policy instruments for adaptation and development objectives including in the areas of, for example, food security, water resources management, public health and disaster risk reduction...' Evaluation Report, 2009: 17.
2014	'Green Growth Guidance Note' prepared, including 'Climate Change and Green Growth Screening Note'.	Mandatory in programme design. Emphasises mainstreaming of green growth. Includes a screening/tick-box format as well as a series of guiding analytical questions on whether green/climate issues have been incorporated.

Year	Event	Selected quote/notes
2015	Evaluation of Danish climate finance to developing countries.	'Further efforts should be pursued to mainstream mitigation, adaptation and development co-benefits across the portfolio and to ensure more coherence between adaptation and mitigation activities where possible. The existence of a Climate Envelope is an opportunity to develop best practice that could be used for climate-relevant programming outside the envelope.' Evaluation Report, 2015: 14.
2016	Development of guiding principles for the Danish climate envelope plus annual concept notes for the Envelope.	'Supporting enabling environments, including integrating climate change in regulation and policies , e.g. through government-to-government cooperation.' Guiding Principles: p. 4.
2016	Commissioned study: 'Mainstreaming climate change into Danish bilateral development cooperation'.	<p>'Most of Danida's climate mainstreaming efforts in its partner countries are through specific climate mitigation or adaptation programmes or projects; fewer of its mainstreaming efforts are integrated into its non-climate focused development assistance. Potential improvements could be made in this regard, although in some sectors the opportunities simply do not exist'. Study report, p. 8.</p> <p>'Skills and capacity building, especially in embassy staff, needs to be given a higher priority and more resources if climate change mainstreaming is to be fully effective'. Study report, p. 48.</p> <p>'The complexities of the interlinkages mean that single solutions, such as replacing lost trees by planting or other means, will not be effective'. Study report, p. 49.</p>
2016	Programme Committee response to mainstreaming study.	'The results of the evaluation study were welcomed. It was found that there is a need to give more attention to the impacts of climate change as an underlying driver of instability and conflict – for example in terms of land use changes in arid and semi-arid regions. In particular the cross-sectoral consequences on governance, employment, health and other sectors where climate change impacts are often forgotten . This should be considered and possibly taken into consideration in the operationalisation of the new strategy'. Minutes from PC meeting, 4 November 2016, p. 2.
2017	The World 2030: 'Denmark's strategy for development cooperation and humanitarian action'.	'Climate changes have extensive, negative consequences for the living conditions in both the poor countries and the growth and transition countries and may undermine the Sustainable Development Goals. We must help the countries expand their knowledge about climate change and integrate climate consideration in their planning on all levels , including in relation to infrastructure and other economic activities'. The World 2030, p. 28.

ANNEX 2. MDB COMMON PRINCIPLES ('THREE-STEP APPROACH')

The MDB Common Principles for tracking and reporting on climate finance adaptation are different from the conventional Rio Markers. They require a three-step process during project design:

1. Setting out the climate change vulnerability context of the project.
2. Making an explicit statement of intent to address climate vulnerability as part of the project.
3. Articulating a clear and direct link between the context of climate vulnerability and specific project activities.

This method has been designed with due regard to the contextual nature of adaptation and differs from that applied to mitigation under the MDB's Common Principles, which simply provides a 'positive list' of activities that can be considered to count as mitigation.

The three-step approach has been widely applied in recent years and has been incorporated into the OECD's 2016 guidelines, although they continue to be used mainly by the MDBs. A 2018 review of experiences with the three-step approach was largely positive, but it noted that in practice distinguishing between adaptation and development could be challenging (MDB Group 2018b). It also found that the climate rationales and links in project design tended to get lost in the actual project documentation due to the requirements for brief proposals and project documents. Accordingly, it proposed that specific formats be provided to ensure subsequent tracking.

The Common Principles provide a 'granular' approach to reporting the adaptation finance component of projects that integrate adaptation and development. This differs from the reporting approach used by many bilateral donors and the EU, in which a fixed percentage of the budget is reported according to the assigned Rio Marker. For this reason, critics of the conventional Rio Marker approach tend to consider the Common Principles a more refined and transparent approach to the reporting of climate financing.

The different approaches to variously separating or integrating adaptation and development are in part linked to the histories and institutional mandates of the funds and organisations in question. Given their anchoring in the UNFCCC process, the GCF and other UN funds have emerged from a climate perspective and in a context where developing countries and civil society have been wary of mixing development and climate funding. The MDBs and bilateral donors meanwhile come from a long line of failures with sectoral thinking and have a greater degree of operational scope with the funding they provide.

ANNEX 3. DATA AND METHODS OF ANALYSING DANIDA SUPPORT TO ADAPTATION

The data on Danish climate ODA used for these analyses have been sourced primarily from Danish reporting to the UNFCCC. This has in some cases been supplemented by additional documentation, including annual concept notes for the Climate Envelope, project documents accessed online and information available on OpenAid. Commitments for evaluations, which are also reported as climate-related ODA, have been removed to retain the focus on development engagements themselves.

It should be emphasised that the data have certain limitations. The following should be noted:

- The analysis focuses on commitments, that is, on what was decided within the period, since the focus is on the substance of adaptation support. It was considered that disbursement data would have provided a more muddled picture, since these are sometimes staggered over several years and may originate in commitments made several years previously.
- The data focus on the period 2013-2017. At the start of the study only some of the data for 2018 were available, and it was therefore decided to omit 2018 from most of the analysis. Data prior to 2013 were limited.
- Given the limited size of the database, singular large replenishments and allocations during or just outside the period may affect results to some extent.
- The data is based on the Ministry's marking of commitments as adaptation. This has been externally validated and refined in recent years, but some issues with the earlier marking may be reflected in the data.

Other possible sources of bias or error are noted in the main text where appropriate.

DATA AND METHODS FOR THE FIGURES

Figure 4. Overall adaptation/mitigation balance

These rely entirely on data reported from the MFA to the UNFCCC.

Figures 5, 6 and 7. Rio Markers

These rely entirely on data reported from the MFA to the UNFCCC.

Figure 8. Delivery pathways

This analysis is based on an assessment by the researchers drawing on reporting to the UNFCCC and additional project documentation accessed online. The researchers adhered to the principle that the term 'Delivery Pathway' should refer to the entity making decisions with regard to project design and programming, rather than the implementing entity. A bilateral commitment implemented by a multilateral agency or an NGO is therefore identified as having a bilateral delivery pathway. In practice, these distinctions may not always be clear-cut: the organisation or entity identified here will often formulate programmes with input from, for example, country partners and other stakeholders.

Figures 9, 10 and 11. Commitments by sector

We use the term 'sector' as shorthand for thematic areas. The classification of sectors was adapted from the IISD's adaptation project categories, which have been used to assess the thematic focus of adaptation efforts at the country and climate-fund levels (IISD 2011, GCF 2018). The OECD DAC data were considered too broad for this purpose. It should be noted that the classification was done on the basis of brief project descriptions in the database. Subcomponents and activities not included in the description or considered only implicit have therefore not been captured. Note also that commitments to Danish NGOs have not been distributed across themes but are shown as 'multiple sectors' because the funding of partnership frameworks is recorded en bloc.

Sector relevance was determined as follows:

- For bilateral commitments: through an assessment of project descriptions and documents accessible online.
- For multilateral commitments: as described in reporting to the UNFCCC.
- For commitments to NGO partners: these are included under 'multiple sectors'.

The analysis sought to determine the primary sector relevance of each adaptation commitment. This means, for example, that for a water and sanitation commitment that also sought disaster risk reduction outcomes, the primary sector relevance is assessed to be water and sanitation. The full commitment amount was then included under water and sanitation in order to avoid double counting. For major programmes with multiple components, however, the components have been considered separately.

By simplifying in order to focus on the primary-sector relevance of adaptation commitments, the data lose some nuances. We therefore also conducted an analysis of up to three areas of sector relevance for each commitment (or component) to obtain a more detailed overview of sector relevance. This was done for number of commitments and components rather than for commitment amounts in order to focus on incidence and to avoid overcounting climate finance.

The major differences when looking only at primary-sector relevance are as follows. Two sectors, Migration and Displacement, and Disaster Risk Reduction, disappear entirely. In addition, engagement with the private sector drops precipitously, making this sector especially under-represented when only looking at primary-sector relevance. Otherwise the differences do not change the overall picture significantly.

ANNEX 4. LIST OF PEOPLE CONSULTED

The following organisations and individuals were consulted specifically for the current study. Additional insights were collected from interviews with multilateral and bilateral donors and government staff as part of ongoing DIIS research on the programming and implementation of CIF- and GCF-funded adaptation programmes in Zambia.

Green Climate Fund	Chantall Naidoo, Regional Advisor
World Bank	Peter Kristensen, Lead Environmental Specialist Rasmus Heltberg, Lead Evaluation Specialist Juergen Voegele, Global Director, Climate Change Group
DFID	Carlton Evans, Head of International Climate Finance Secretariat Lyndsay Rae, Policy Division, Climate and Environment Department Malcolm Ridout, Senior Advisor, Resilience
Dan Church Aid	Matthias Söderberg, Advisor
Danida	Henning Nøhr, Chief Advisor Mike Speirs, Chief Advisor Jens Fugl, Chief Advisor
CARE	Rolf Hernø, Programme Coordinator Ditte Wegeberg, Programme Coordinator Flemming Gjedde Nielsen, Programme Coordinator John Nordbo, Climate Advocacy Eske Bentsen, Climate Finance intern
ODI	Neil Bird, Senior Research Fellow
IIED	Clare Shakya, Director, Climate Change Marek Soanes, Researcher, Climate Change Barry Smith, Researcher, Climate Change
WRI	Helen Mountford, VP, Climate and Economics Christina Chan, Director, Climate Resilience Practice
Inka Consult	Hans Peter Dejgaard, Climate Finance specialist Lasse Pinderup, Climate Finance research assistant

Photos

Cover: Chad Ehlers /Ritzau Scanpix

Page 14-15: Robert Wallwork / Alamy Stock Photo

Page 20-21: Arne Hoel / World Bank / Flickr

Page 32-33: Joerg Boethling / Alamy Stock Photo

Page 52-53: Ilene Perlman / Alamy Stock Photo

Page 66-67: Dani Daniar / Shutterstock

DIIS - Danish Institute for International Studies

The Danish Institute for International Studies is a leading public institute for independent research and analysis of international affairs. We conduct and communicate multidisciplinary research on globalisation, security, development and foreign policy. DIIS aims to use our research results to influence the agenda in research, policy and public debate, and we put great effort into informing policymakers and the public of our results and their possible applications.



DIIS · DANISH INSTITUTE FOR INTERNATIONAL STUDIES
Østbanegade 117 | DK-2100 Copenhagen | Denmark | www.diis.dk